

October 18, 2007

08-025

A RESOLUTION OF THE PORTLAND COMMUNITY
COLLEGE BOARD OF DIRECTORS, TO ESTABLISH
THE GATEWAY TO COLLEGE NATIONAL NETWORK
AS A SEPARATE OREGON NONPROFIT
CORPORATION

PREPARED BY: Wing-Kit Chung, Vice President, Finance

FINANCIAL
RESPONSIBILITY Dr. Nan Poppe, Extended Learning Campus, Campus
President

APPROVED BY: Randy McEwen, District Vice President
Dr. Preston Pulliams, District President

REPORT: PCC has developed and operated the Gateway to College program for seven years. This program is designed to work with individuals from 16 to 20 years old who have either dropped out of high school or who are on the verge of dropping out to enable them to obtain a high school diploma and earn college credit at the same time. The success of the Gateway to College program attracted the attention of the Bill and Melinda Gates Foundation, which gave PCC a grant in 2003 to fund the replication of the Gateway to College program at other community colleges across the United States. To date the Gateway to College program has been replicated at 17 other community colleges and plans are in place to replicate the program at a total of 50 community colleges around the country.

Because this program has expanded well beyond the purview and boundaries of PCC to become a national program, it is in the best interest of both the Gateway to College program and PCC to create a new separate legal entity, the Gateway to College National Network (the "National Network"), to continue the national replication of the Gateway to College program. This National Network will be an Oregon nonprofit corporation and it will apply to the Internal Revenue Service for recognition of its status as a public charity under Internal Revenue

Code section 501(c)(3) and 509(a)(1). PCC will have the right to appoint one-third of the board of directors of the National Network. PCC will enter into contracts to lease its rights in the Gateway to College program curriculum as well as the "Gateway to College" name to the National Network for a reasonable cost. PCC will supply support to the National Network during its start-up period by allowing the National Network to use its facilities and the current staff of the Gateway to College program. PCC will also transfer the remaining Gates Foundation grant funds to the National Network. Once the National Network has sufficient independent resources it will hire its own staff and rent office space from PCC. PCC will still retain complete control over its local Gateway to College program.

RECOMMENDATION: The Board:

1. Authorizes and delegates to the President, or his designee, the authority to work with legal counsel to establish the Gateway to College National Network (as further described in Attachments A and B) as a separate Oregon nonprofit corporation.
2. Authorizes the use of the current PCC Gateway to College staff by the Gateway to College National Network until such time as the Gateway to College National Network has adequate funds to hire its own independent staff. The cost incurred by PCC will be reimbursed by the National Network.
3. *other PCC employee* Appoints Nan Poppe and a PCC Board Member *or* Designated by the Board Chair as Portland Community College's representatives to the board of directors of the Gateway to College National Network.
4. Authorizes and delegates to the President, or his designee, the authority to work with legal counsel to license PCC's intellectual property rights in the Gateway to College program curriculum, materials, the concepts and the "Gateway to College" name to the Gateway to College National Network.

10-18-07 Revision per Board decision

ARTICLES OF INCORPORATION
OF
GATEWAY TO COLLEGE NATIONAL NETWORK
An Oregon Nonprofit Corporation

The undersigned individual of the age of 18 years or older, acting as incorporator under Chapter 65 of the Oregon Revised Statutes (the "Oregon Nonprofit Corporation Act"), adopts the following articles of incorporation:

ARTICLE I
NAME AND DURATION

The name of the corporation is Gateway to College National Network (the "Corporation"), and its duration is perpetual.

ARTICLE II
TYPE OF NONPROFIT CORPORATION

The Corporation is a public benefit corporation under the Oregon Nonprofit Corporation Act.

ARTICLE III
PURPOSES AND POWERS

The Corporation is organized and is to be operated exclusively for charitable, educational, and scientific purposes within the meaning of section 501(c)(3) of the Internal Revenue Code ("IRC"), as amended, including without limitation, but only to the extent consistent with such purposes, increasing educational opportunities for at-risk youth.

ARTICLE IV
CONSTRUCTION

It is intended that the Corporation qualify as an organization that is exempt from federal income taxation under IRC § 501(c)(3), contributions to which are deductible for federal income, estate, and gift tax purposes under IRC §§ 170(c), 2055(a)(2), and 2522(a)(2). These articles of incorporation are to be construed and interpreted accordingly.

ARTICLE V
RESTRICTIONS

The assets of the Corporation are irrevocably dedicated to the purposes described above, and no part of the net earnings of the Corporation may inure to the benefit of or be distributed to its directors, officers, or other private persons, except that the Corporation is authorized and empowered to pay reasonable compensation for services rendered and to make

payments and distributions in furtherance of the purposes set forth in Article III. No substantial part of the activities of the Corporation is to consist of carrying on propaganda or otherwise attempting to influence legislation. The Corporation may not participate or intervene in, or publish or distribute any statements in connection with, any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any provision of these articles of incorporation to the contrary, the Corporation may not engage in any activities that are not permitted for a corporation that is exempt from federal income tax under IRC § 501(c)(3) or to which contributions are deductible under IRC § 170(c), 2055(a), or 2522(a).

**ARTICLE VI
REGISTERED OFFICE AND AGENT**

The address of the Corporation's initial registered office is _____,
and the name of its initial registered agent at such address is _____.

**ARTICLE VII
MAILING ADDRESS**

The Corporation's mailing address to which notices may be mailed, until designation of the Corporation's principal office in its annual report, is _____.

**ARTICLE VIII
DIRECTORS**

The affairs of the Corporation are to be managed and regulated by its board of directors. The names and addresses of the persons who will serve as the initial directors are as follows:

<u>Name</u>	<u>Address</u>
_____	_____
_____	_____
_____	_____

The number, terms, and manner of appointment and removal of directors are as provided in the bylaws of the Corporation.

**ARTICLE IX
MEMBERS**

The Corporation does not have members within the meaning of the Oregon Nonprofit Corporation Act. The Corporation may nevertheless classify certain donors or other persons associated with the Corporation as "members," but those persons are not members as

defined in the Oregon Nonprofit Corporation Act and are to have only the membership rights and privileges provided in the bylaws of the Corporation.

ARTICLE X DISSOLUTION

Upon dissolution or final liquidation of the Corporation, the assets of the Corporation remaining after payment of or provision for the liabilities and obligations of the Corporation are to be distributed to one or more other qualified charitable organizations determined by the board of directors, in each case for the purposes provided in Article III. Any assets not so distributed are to be disposed of by the Multnomah County Circuit Court to such qualified charitable organizations as the court determines. For purposes of this provision, "qualified charitable organization" means an organization that is exempt from federal income tax under IRC § 501(c)(3) and that is other than a private foundation as defined in IRC § 509(a)(1) or (2).

ARTICLE XI LIABILITY OF DIRECTORS AND UNCOMPENSATED OFFICERS

To the fullest extent permitted under the Oregon Nonprofit Corporation Act, as amended, a director or uncompensated officer of the Corporation is not liable to the Corporation for monetary damages for conduct as a director or officer. No repeal or amendment of this provision will adversely affect any right or protection of a director or officer of the Corporation existing at the time of repeal or amendment.

ARTICLE XII INDEMNIFICATION

To the fullest extent permitted under the Oregon Nonprofit Corporation Act, as amended, the Corporation shall indemnify any Director or Officer who is made a Party to a Proceeding because the individual is or was a Director or Officer against Liability incurred in the Proceeding, including without limitation advancement of Expenses. Capitalized terms used in the preceding sentence have the meanings assigned to them in the Oregon Nonprofit Corporation Act.

ARTICLE XIII PRIVATE FOUNDATION PROVISIONS

Notwithstanding any provision of these articles of incorporation or Oregon law to the contrary, if at any time the Corporation is a private foundation within the meaning of IRC § 509, it is prohibited from engaging in any act of self-dealing (as defined in IRC § 4941(d)), from retaining any excess business holdings (as defined in IRC § 4943(c)) that would subject the Corporation to tax under IRC § 4943, from making or retaining any investments that would subject the Corporation to tax under IRC § 4944, and from making any taxable expenditures (as defined in IRC § 4945(d)), and the Corporation shall make distributions of income and principal at such time and in such manner as not to subject the Corporation to tax under IRC § 4942.

**ARTICLE XIV
AMENDMENT**

The board of directors may amend these articles of incorporation, by the affirmative vote of at least two-thirds of the directors then in office, at any meeting of the board of directors. The meeting notice must state that a purpose of the meeting is to consider an amendment to the articles of incorporation and must include a copy or summary of the proposed amendment.

**ARTICLE XV
INCORPORATOR**

The name and address of the incorporator of the Corporation are _____ . By signing below, the incorporator confirms that each person named in Article VIII has consented to serve as an initial director of the Corporation.

DATED _____ .

_____, Incorporator

Person to Contact
About This Filing:

Robin Smith-Lonergan
(503) 205-2527

BYLAWS
OF
GATEWAY TO COLLEGE NATIONAL NETWORK

SECTION 1
NAME

The name of the corporation is Gateway to College National Network (the "Corporation"), an Oregon nonprofit corporation.

SECTION 2
PURPOSE AND POWERS

2.1 Purpose. The Corporation is organized and is to be operated exclusively for charitable, educational, and scientific purposes within the meaning of section 501(c)(3) of the Internal Revenue Code of 1986, as amended, including without limitation, but only to the extent consistent with such purposes, increasing educational opportunities for at-risk youth.

2.2 Powers. Subject to the foregoing purposes and the requirements of Internal Revenue Code section 501(c)(3), the Corporation has and may exercise all the rights and powers of a nonprofit corporation under Chapter 65 of the Oregon Revised Statutes, as amended.

SECTION 3
DIRECTORS

3.1 Powers. The board of directors shall manage the business and affairs of the Corporation and exercise or direct the exercise of all corporate powers.

3.2 Number. The number of directors may vary between a minimum of 6 and a maximum of 12, the exact number to be fixed in multiples of three from time to time by resolution of the board of directors.

3.3 Directors Appointed by Portland Community College. The board of directors of Portland Community College may appoint up to two directors by a written instrument delivered to the Secretary. If the board of directors votes to increase the number of directors under Section 3.2, the number of directors appointed by Portland Community College will be proportionately increased.

3.4 Directors Appointed by Network Leadership Team. The Network Leadership Team created under Section 3.19 may appoint up to two directors by a written instrument delivered to the Secretary. If the board of directors votes to increase the number of directors under Section 3.2, the number of directors appointed by the Network Leadership Team will be proportionately increased.

3.5 At-Large Directors. The board of directors may elect up to two directors ("At-Large Directors") by the affirmative vote of a majority of all directors then in office, at any meeting of the board of directors. At-Large Directors may not be affiliated with Portland Community College or any member of the Network Leadership Team. If the board of directors votes to increase the number of directors under Section 3.2, the number of At-Large Directors will be proportionately increased.

3.6 Term of Office. Directors appointed by Portland Community College shall serve for three years, or until their successors have been appointed and take office, and may be appointed for successive terms. Directors appointed by the Network Leadership Team shall serve for two years, or until their successors have been appointed and take office, and may be appointed for successive terms. At-Large Directors shall serve until the next annual meeting of the board of directors, or until their successors have been elected and take office, and may be elected for successive terms.

3.7 Removal. An appointed director may be removed by the entity that appointed the director at any time, with or without cause, by a written instrument delivered to the Secretary. At-Large Directors may be removed at any time, with or without cause, by the affirmative vote of a majority of all the directors then in office, at any meeting of the board of directors. The notice of such a meeting must state that the purpose, or one of the purposes, of the meeting is the removal of the At-Large Directors involved.

3.8 Vacancies. In the event of the resignation, death, disability, or removal of a director appointed under Section 3.3 or 3.4, the appointing entity may appoint a successor by a written instrument delivered to the Secretary. If for any reason the entity with the power to appoint a director fails or declines to exercise its right to appoint a director, that director's position will remain vacant, but the entity will retain the right to appoint a director to fill the position at any time. Any vacancy in an At-Large Director position occurring in the board of directors for any reason, including a vacancy resulting from an increase in the number of directors, will be filled by the affirmative vote of a majority of the directors then in office.

3.9 Resignation. Any director may resign at any time by delivering written notice of resignation to the President or Secretary. The resignation will be effective on receipt unless it is specified therein to be effective at a later time, and acceptance of the resignation is not necessary.

3.10 Compensation. Directors shall serve without compensation for their services. A director may receive reimbursement for actual and reasonable expenses incurred in performing his or her duties upon the approval of the board of directors.

3.11 Annual Meetings. The annual meeting of the board of directors is to be held on a date, at a time, and at a place determined by the board of directors.

3.12 Regular Meetings. The board of directors may from time to time establish monthly or other regular meetings of the board, with the specific date, time, and place to be determined by the President.

3.13 Special Meetings. Special meetings of the board of directors may be called by the President or any two directors.

3.14 Notice of Meetings. Written notice of the annual meeting of the board of directors must be given at least 30 days before the meeting, written notice of a regular meeting must be given at least 10 days before the meeting, and written or oral notice of a special meeting must be given at least 48 hours before the meeting. The notice in each case must specify the date, time, and place of the meeting, and notice is sufficient if actually received at the required time or if mailed not less than five days before the required time. Mailed notices are to be directed to the director's address shown on the corporate records or to the director's actual address ascertained by the person giving notice. Oral notice may be delivered in person or by telephone. Except as otherwise required by law, the articles of incorporation, or these bylaws, neither the business to be transacted at nor the purpose of any meeting of the board of directors need be specified in the notice.

3.15 Waiver of Notice. Whenever any notice is required to be given to any director, a waiver thereof in writing, signed by the director entitled to such notice, whether before or after the event specified in the waiver, will be deemed equivalent to the giving of such notice. Furthermore, the attendance of a director at a meeting constitutes a waiver of notice of such meeting, unless the director attends the meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

3.16 Action Without a Meeting. Any action that is required or permitted to be taken by the directors at a meeting may be taken without a meeting if a consent in writing setting forth the action is signed (manually or by electronic signature) by all the directors entitled to vote on the matter. The action will be effective on the date when the last signature is placed on the consent.

3.17 Meeting by Telephone Conference. The board of directors may hold a meeting by conference telephone or similar equipment by means of which all persons participating in the meeting can hear each other. Participation in such a meeting constitutes presence in person at the meeting.

3.18 Quorum; Majority Vote. A majority of the number of directors in office at the time of a meeting of the board of directors constitutes a quorum for the transaction of business at any meeting of the board of directors. The act of a majority of the directors present at a meeting at which a quorum is present is the act of the board of directors, except that the affirmative vote of at least two-thirds of the directors in office is required for the acquisition or sale of real estate or property rights, or for the dissolution of the Corporation, and except as otherwise required by law, the articles of incorporation, or these bylaws. A minority of the directors, in the absence of a quorum, may adjourn and reconvene from time to time but may not transact any business.

3.19 Network Leadership Team. The board of directors shall appoint individuals who are directors of Gateway to College National Network partner sites to the "Network Leadership Team" to serve at the pleasure of the board of directors. Members of the Network Leadership Team are entitled to receive notice of all regular and annual meetings of the

board of directors, to attend and speak at such meetings, and to receive copies of the minutes thereof, but unless a Network Leadership Team member is also appointed to the board of directors of the Corporation under Section 3.4, he or she is not entitled to vote and will not be considered a director of the Corporation for purposes of Section 3.2. The Network Leadership Team shall elect from its membership two representatives that it will appoint to the board of directors of the Corporation under Section 3.4. The Network Leadership Team shall also draft a set of guidelines that establish how it will elect the individuals it appoints to the board of directors and conduct its meetings and business. These guidelines must be submitted to the board of directors of the Corporation for its approval before final adoption by the Network Leadership Team.

SECTION 4 OFFICERS

4.1 Designation. The officers of the Corporation are a President, a Secretary, and a Treasurer. Such other officers as may be deemed necessary may be elected by the board of directors and will have such powers and duties as may be prescribed by the board. The same individual may hold two or more offices.

4.2 Qualification. An officer must be a member of the board of directors.

4.3 Election and Term of Office. The officers of the Corporation are to be elected annually by the board of directors at the annual meeting of the board of directors. Each officer will hold office until a successor is duly elected or until the officer's resignation, death, or removal.

4.4 Resignation. An officer may resign at any time by delivering written notice of resignation to the President or Secretary. Such resignation will be effective upon receipt unless it is specified to be effective at a later time. The board of directors may reject any postdated resignation by notice in writing to the resigning officer.

4.5 Removal. The board of directors may remove any officer, with or without cause, by the affirmative vote of a majority of the directors then in office, at any meeting of the board of directors. Removal is to be without prejudice to the contract rights, if any, of the person removed. Election of an officer does not of itself create contract rights.

4.6 Vacancies. A vacancy in any office because of death, resignation, removal, or otherwise may be filled by the board of directors for the unexpired portion of the term.

4.7 Compensation. Officers shall serve without compensation for their services. An officer may receive reimbursement for actual and reasonable expenses incurred in performing his or her duties upon the approval of the board of directors.

4.8 President. The President is the chief executive officer of the Corporation and, subject to the control of the board of directors, has general supervision, direction, and control of the business and affairs of the Corporation. The President shall preside at all meetings of the board of directors and shall with the Secretary execute on behalf of the Corporation all

contracts and other instruments. The President has the general powers and management usually vested in the office of president of a corporation, and has such other powers and duties as may be prescribed by the board of directors. The President is also to be the chair of the Executive Committee, if the Executive Committee is created, and a nonvoting ex officio member of any committee established pursuant to Section 5.

4.9 Secretary. The Secretary shall prepare and keep (or cause to be prepared and kept) the minutes of all meetings of the board of directors and any committees of the board of directors and is to have custody of the minute books and other records pertaining to corporate business. The Secretary shall give or cause to be given such notice of the meetings of the board of directors as is required by these bylaws. The Secretary is responsible for authenticating resolutions and other records of the Corporation and shall countersign on behalf of the Corporation all contracts and other instruments. The Secretary shall perform such other duties as may be prescribed by the board of directors.

4.10 Treasurer. The Treasurer is the chief financial and accounting officer of the Corporation and shall supervise and monitor the finances of the Corporation. The Treasurer shall (a) cause to be kept correct and complete records of account showing the financial condition of the Corporation, (b) be legal custodian of all moneys, notes, securities, and other valuables that may come into the possession of the Corporation, (c) cause all funds of the Corporation to be deposited in depositories that the board of directors may designate, (d) pay funds out only on the check of the Corporation signed in the manner authorized by the board of directors, (e) present to the board of directors regular statements of the Corporation's financial position and cash flows, (f) ensure that the Corporation files all necessary tax returns, and (g) maintain the record of all gifts, grants, contributions, gross receipts from admissions, sales of merchandise, performance of services, or furnishing of facilities, in an activity that is not an unrelated trade or business, and the sources of all the foregoing funds.

SECTION 5 COMMITTEES

5.1 Creation. The board of directors may, by resolution adopted by a majority of the directors then in office, designate and appoint an Executive Committee and such other committees as may be determined appropriate.

5.2 Authority. Each committee appointed by the board of directors will have and may exercise such powers and authority as may be conferred by the board of directors, but no committee in any event may (a) amend, alter, or repeal these bylaws or the articles of incorporation, (b) elect, appoint, or remove any director or officer, (c) approve dissolution or merger or any sale, pledge, or transfer of all or substantially all of the Corporation's assets, or (d) authorize any distribution of the assets of the Corporation. The designation and appointment of any committees and the delegation thereto of authority will not operate to relieve the board of directors or any individual director of any responsibility imposed by law. The board of directors has the power at any time to fill vacancies in, to change the size or membership of, and to discharge the Executive Committee and any other committee.

5.3 Executive Committee. The Executive Committee, if it is created, is to consist of the President and at least two other directors, and the President shall chair the committee. Between meetings of the board of directors, the Executive Committee, subject to such limitations as may be imposed by resolution of the board of directors or applicable law, will have and exercise all the power and authority of the board of directors in the management of the Corporation.

5.4 Other Committees. All other committees are to consist of at least two directors and may include nondirectors. The President is to be a nonvoting ex officio member of all other committees.

5.5 Meetings. Members of committees shall meet at the call of the chairman at such place as the chairman designates after reasonable notice has been given to each committee member. Each committee shall keep minutes of its proceedings and within a reasonable time thereafter make a written report to the board of directors of its actions. Any action that may be taken by a committee at a meeting may be taken without a meeting if a consent in writing setting forth the action taken is signed by all members of the committee entitled to vote on the matter. The action will be effective on the date when the last signature is placed on the consent.

5.6 Quorum. A majority of the members of a committee constitutes a quorum for the transaction of business at any committee meeting, and any transaction of a committee requires a majority vote of the quorum present at the meeting.

SECTION 6 EMPLOYEES

6.1 Executive Director. The board of directors may hire an Executive Director to serve at the pleasure of the board of directors, subject to contractual provisions. The Executive Director will report to the board of directors. The Executive Director is to be the chief operating officer of the Corporation, responsible for the management and supervision of the offices, employees, programs, and services of the Corporation. The Executive Director will also have other authority and perform other duties as may be prescribed by the board of directors.

6.2 Other Employees. The board of directors may establish other positions of employment as it deems desirable from time to time. All employees shall, subject to the inherent control of the board of directors and the President, report to the Executive Director (if any). In the absence of the Executive Director, all employees shall report to the President.

SECTION 7 INDEMNIFICATION OF DIRECTORS AND OFFICERS

7.1 Generally. The Corporation shall to the fullest extent permitted by law indemnify any person who is or was a director or officer of the Corporation against any and all liability incurred by the person in connection with any claim, action, suit, or proceeding or any threatened claim, action, suit, or proceeding, whether civil, criminal, administrative, or investigative, because the person is or was a director or officer of the Corporation, if the person acted in good faith and in a manner that the person reasonably believed to be in or not opposed to

the best interest of the Corporation, and with respect to any criminal proceeding the person had no reasonable cause to believe the conduct was unlawful. Liability and expenses include reasonable attorney fees, judgments, fines, costs, and amounts actually paid in settlement. The termination of any action, suit, or proceeding by judgment, order, settlement, or conviction, or upon a plea of nolo contendere or its equivalent, does not of itself create a presumption that the person did not act in good faith and in a manner that the person reasonably believed to be in or not opposed to the best interests of the Corporation and, with respect to any criminal proceeding, had reasonable cause to believe that such conduct was unlawful. The foregoing right of indemnification is in addition to and not exclusive of any and all other rights to which any such director or officer may be entitled under any statute, bylaw, agreement, or otherwise.

7.2 Actions by or in the Right of the Corporation. In connection with any proceeding brought by or in the right of the Corporation, the Corporation may not indemnify any person who is or was a director or officer of the Corporation if the person has been adjudged by a court of law to be liable to the Corporation, unless the court in which the action or suit was brought determines upon application that, despite the adjudication of liability, in view of all the circumstances of the case the person is fairly and reasonably entitled to indemnity.

7.3 Self-Interested Transactions. The Corporation may not indemnify any person who is or was a director or officer of the Corporation in connection with any proceeding charging improper personal benefit to the person in which the person has been adjudged liable on the basis that personal benefit was improperly received by the person, unless the court in which the action or suit was brought determines upon application that, despite the adjudication of liability, in view of all circumstances of the case the person is fairly and reasonably entitled to indemnity.

7.4 Determination of the Propriety of Indemnification. The determination that indemnification is proper is to be made by the majority vote of a quorum consisting of the directors who were not parties to the proceeding or, if such a quorum cannot be obtained, by the majority vote of a committee, duly designated by the board of directors, consisting of at least two directors who were not parties to the proceeding. If there are not two directors who were not parties to the proceeding, the full board of directors shall select special legal counsel to determine whether indemnification is proper.

7.5 Evaluation of Expenses. An evaluation as to the reasonableness of expenses is to be made by the majority vote of a quorum consisting of directors who were not parties to the proceeding or, if such a quorum cannot be obtained, by the majority vote of a committee, duly designated by the board of directors, consisting of at least two directors who were not parties to the proceeding. If there are not two directors who were not parties to the proceeding, the full board of directors, including directors who were parties to the proceeding, shall evaluate the reasonableness of expenses.

7.6 Notice to the Attorney General. A director or officer is not to be indemnified by the Corporation until 20 days after the effective date of written notice to the Attorney General of the proposed indemnification.

7.7 Advance of Expenses. Expenses incurred by a director or officer with respect to any claim, action, suit, or other proceeding of the character described in this article may be advanced by the Corporation before the final disposition of such proceeding if (a) the director or officer provides written affirmation to the Corporation of the person's good faith belief that the person satisfies the criteria for indemnification, and (b) the director or officer gives the Corporation a written undertaking to repay the advanced amount if it is ultimately determined that the director or officer is not entitled to indemnification under this article. The undertaking is to be a general obligation of the director or officer, but need not be secured and may be accepted by the board of directors without reference to the director or officer's financial ability to make repayment.

7.8 Insurance. The board of directors may purchase insurance on behalf of any person who is or was an officer or director of the Corporation against liability asserted against or incurred by the person arising out of the person's status as a director or officer of the Corporation, whether or not the Corporation would have the power to indemnify the person against liability under the provisions of this article.

SECTION 8 AMENDMENT

The board of directors may amend or repeal these bylaws, by the affirmative vote of at least two-thirds of all the directors then in office, at any meeting of the board of directors. The meeting notice must state that a purpose of the meeting is to consider an amendment to the bylaws and must contain a copy or summary of the proposed amendment.

The foregoing bylaws were duly adopted by the board of directors on

_____.

_____, Secretary