

AMENDED AND RESTATED BYLAWS OF
MARKLUND CHILDREN'S HOME

RECITALS

The Marklund Children's Home ("Marklund") desires to amend and restate its Bylaws in order to:

- A) reflect the deletion and addition of certain of its committees;
- B) reflect that Marklund provides care to both children and adults who have developmental disabilities;
- C) reflect the current composition of the Board.

THEREFORE, pursuant to the provisions of the Illinois General Not For Profit Corporation Act and Marklund's Bylaws, the Bylaws are amended and restated in its entirety as follows:

ARTICLE 1. CORPORATION

Section 1.1 Corporation Name. The name of the Corporation shall be MARKLUND CHILDREN'S HOME, an Illinois not-for-profit corporation (hereinafter "Marklund").

Section 1.2 Corporate Purposes. The purposes for which Marklund is organized are:

- 1.2.1 To provide high quality care for individuals who have developmental disabilities regardless of race, religion, age, color, creed, sex, or ability to pay. In no instance, however, will Marklund engage in the practice of medicine;
- 1.2.2 To support appropriate educational, training and vocational activities related to the care of individuals who have developmental disabilities;
- 1.2.3 To promote the general understanding of the developmentally disabled through volunteerism and community in-servicing as appropriate;
- 1.2.4 To promote the individualized needs of Marklund's clients through the involvement of their parents, guardians and other family members in individualized program plans;
- 1.2.5 To own, lease or otherwise deal with all property, real and personal, to be used in furtherance of these purposes;
- 1.2.6 To promote and support all charitable fund raising activities of the Auxiliary, Marklund Charities and other fund-raising resources for the benefit of Marklund;

- 1.2.7 To administer funds received from Marklund Charities, government and private sources to preserve the financial viability of Marklund;
- 1.2.8 To operate exclusively for charitable, scientific or educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code or the corresponding provision of any future United States Internal Revenue Law.

Marklund's activities shall be conducted in such a manner that no part of its net earnings shall inure to the benefit of any Director, Officer, or individual, except that the organization shall be empowered to pay reasonable compensation for approved services rendered and to make payments and distributions in furtherance of the purposes set forth herein. It shall not have the power to issue certificates of stock or declare dividends.

No substantial part of the activities of Marklund shall consist of carrying on propaganda, or otherwise attempting to intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office.

Notwithstanding any other provisions of the Bylaws, Marklund shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code.

- Section 1.3 Distribution In Case of Corporate Dissolution. The Board of Directors, after paying or making provision for the payment of all of the liabilities and obligations of Marklund, shall distribute all of the assets of Marklund to Marklund Charities, an Illinois not-for-profit corporation, if then in existence and if qualified under Section 501(c)(3) of the Internal Revenue Code; otherwise, pursuant to a plan of distribution, to such organization or organizations organized and operated exclusively for religious, charitable, educational or scientific purposes at the time qualifying as an exempt organization or organizations under 501(c)(3) of the Internal Revenue Code. Any such assets not so disposed of shall be disposed of by a court of competent jurisdiction of the county in which the principal office of Marklund is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE 2. OFFICES.

- Section 2.1 Registered Office. Marklund shall continuously maintain a registered office in the State of Illinois which may, but not need be, the same as its place of business, and a registered agent whose business office is identical with such registered office.

Section 2.2 Other Offices. Marklund may also have offices at such other places within the State of Illinois as the Board of Directors may from time to time determine or as the business of Marklund may require.

ARTICLE 3. MEMBERS.

Section 3.1 Membership. Marklund shall have no member(s).

ARTICLE 4 BOARD OF DIRECTORS.

Section 4.1 General Powers. The affairs of Marklund shall be overseen by or be under the direction of its Board of Directors. Directors need not be residents of the State of Illinois.

Section 4.2 Number. The Board of Directors shall consist of a minimum of ten (10) voting members, with an ideal of 15 to 22. The number of Directors may be changed from time to time by the Directors by amendment to the Bylaws.

Section 4.3 Classes. There shall be three (3) classes of directors as follows:

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| Regular | 15 - 22 Directors (min 10) |
| Honorary (non-voting) | Unlimited |
| Emeritus (non-voting) | Unlimited |

The Directors may from time to time elect Honorary Directors or Emeritus Directors who shall hold office for such terms as may be designated by the Directors. An Honorary Director or Emeritus Director shall not have the right to vote on any matter or resolution presented to the Board of Directors, but may serve on a standing, special or advisory Committee. References to "Directors" in these Bylaws do not include "Honorary Directors" or "Emeritus Directors".

Section 4.4 Election. The Directors acting as of the date of adoption of these Bylaws shall constitute the Directors of Marklund for their respective unexpired terms in office.

Section 4.5 Term. Each Director shall hold office for a term of three (3) years after his/her election, all full terms begin on July 1 following their election, except for Directors elected to fill a vacancy as provided in Section 4.7. The terms of the Directors shall be varied in such manner that the terms of approximately one-third of the Directors shall expire in each year and may be elected to two (2) additional term, or such additional terms as the Board of Directors may from time to time determine.

Section 4.6 Resignation. Any Director may resign his/her office at any time by delivering his/her resignation to the Secretary of Marklund and the acceptance of such

resignation, unless required by its terms, shall not be necessary to make such resignation effective. Any Director may be removed, with or without cause, by the vote of two-thirds (2/3) of the Board of Directors of Marklund present and voting. Written notice of the purpose and business to be transacted must be served not less than twenty (20) days prior to any meeting at which a Director will be removed and the notice must specifically state the name of the Director to be removed.

Section 4.7 Vacancies. Vacancies among Directors may be filled by election by the Board of Directors from those persons nominated by the Governance Committee. A Director so elected shall hold office for the unexpired term of his predecessor in office. An amendment to these Bylaws increasing the number of Directors shall be deemed to create a vacancy as to the new Directors who shall be elected by the Board of Directors.

Section 4.8 Annual Meetings. The annual meeting of the Board of Directors shall be held as such place and at such time as may be determined by the Board of Directors. The purposes of the annual meeting shall be to (a) elect the Directors of any affiliated corporation for which the Board of Directors has this obligation; (b) elect officers of Marklund; and (c) transact such other business as may be necessary or desirable.

That part of the annual meeting devoted to the election of Directors and Officers of Marklund and any discussions among members of the Board pertaining to such election shall be open to parent and guardian attendance.

Parents and guardians may not participate in such discussion unless invited by the Board's Chairperson. The Board's Chairperson may, at any time, close the meeting, in which event, only members of the Board and such staff members or other persons designated by the Board shall remain in attendance at such meeting.

Section 4.9 Regular Meetings. Regular meetings of the Board of Directors shall be held quarterly or more often as determined by the Board at such place and time as may be determined by the Board of Directors. The meetings will be open to parent/guardian attendance provided parents and guardians may comment or participate in discussions at such meeting only during the time designated on the Board's Agenda for parent and guardian comments. At all other times during such meeting, parents and guardians may not comment or participate in any Board discussions unless invited by the Board's Chairperson. The Board's Chairperson may, at any time, close the meeting, in which event, only members of the Board and such staff members or other persons designated by the Board shall remain in attendance at such meeting.

Section 4.10 Special Meetings. Special meetings may be called by or at the request of the Chairperson of the Board of Directors, the President, or any three (3) Directors.

The person or persons authorized to call a special meeting of the Board of Directors may fix the place for holding any special meeting. The meetings will be open for parent/guardian attendance. Parents and guardians may comment or participate in discussions at such meeting only during the time designated on the Board's Agenda for parent and guardian comments. At all other times during such meeting, parents and guardians may not comment or participate in any Board discussions unless invited by the Board's Chairperson. The Board's Chairperson may, at any time, close the meeting, in which event, only members of the Board and such staff members or other persons designated by the Board shall remain in attendance at such meeting.

- Section 4.11 Notice. Notice of any annual, regular or special meeting of the Board of Directors shall be given not less than seven (7) calendar days nor more than sixty (60) calendar days prior to the meeting by written notice delivered personally, by mail, by electronic mail, by telefacsimile (with subsequent written confirmation by another means in compliance with this Section), registered or certified mail return receipt requested or by nationally recognized overnight courier, addressed to each director at his or her business address. Such notice shall be deemed to have been delivered: (a) upon delivery, if delivered personally; (b) three (3) business days after mailing, if mailed; (c) one (1) business day after transmission, if delivered/sent by electronic mail or telefacsimile transmission during business hours; (d) one (1) business day after delivery by courier, if delivered by overnight courier service. Except as otherwise set forth herein, neither the business to be transacted at, nor the purpose of, any annual meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.
- Section 4.12 Meeting by Conference Telephone. A member of the Board of Directors or of any committee of the Board of Directors may participate in and act at any meeting of the Board of Directors by means of conference telephone or other communications equipment through which all persons participating in the meeting can hear each other; provided however, that not more than a majority of the quorum may participate by conference telephone in any meeting of the Board of Directors or committee meeting. Participation in such a meeting shall be equivalent to attendance and presence in person at the meeting of the person or persons so participating.
- Section 4.13 Waiver of Notice. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.
- Section 4.14 Quorum. A majority of the Directors shall constitute a quorum for the transaction of business at any meeting of the Board, provided that, if less than a quorum of Directors is present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

- Section 4.15 Manner of Acting. 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 except where otherwise provided by law or by these Bylaws.
- Section 4.16 Presumption of Assent. A Director of Marklund who has been present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be conclusively presumed to have assented to the action taken, unless he or she shall have filed his or her written dissent or abstention to such action with the person acting as the Secretary of the meeting before the adjournment thereof. No Director who voted in favor of any action may dissent or abstain from such action after adjournment of the meeting.
- Section 4.17 Informal Action by Directors. Any action required by law to be taken at a meeting of the Board of Directors of Marklund, or any other action which may be taken at a meeting of the Board of Directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the Directors entitled to vote with respect to the subject matter thereof, or by all members of such committee, as the case may be.
- 4.17.1 Effective Date. The consent shall be evidenced by one or more written approvals, each of which sets forth the action taken and bears the signature of one or more Directors. All the approvals evidencing the consent shall be delivered to the Secretary to be filed in the corporate records. The action taken shall be effective when all the Directors have approved the consent unless the consent specifies a different effective date.
- 4.17.2 Effect of Consent. Any consent signed by all the Directors or all the members of a committee shall have the same effect as a unanimous vote, and may be stated as such in any document filed with the Secretary of State as required by law.
- Section 4.18 Compensation. Directors shall not receive any compensation for their services provided that nothing herein contained shall be construed to preclude any Director from serving Marklund in any other capacity and receiving compensation therefore in accordance with Business Conduct Guidelines.
- Section 4.19 Conflict of Interest. Service as a Board member carries with it a requirement of loyalty and fidelity to the organization, it being the responsibility of the members of the Board to govern the organization's affairs honestly and economically, exercising their business judgment for the benefit of the organization. The matter of conflict of interest can best be handled through full disclosure of any such interest. With regard to conflicts of interest, interested Directors may be counted for purposes of determining a quorum, but may not vote on the matter(s) giving rise to the conflict.

For purposes of this section, a conflict of interest will be deemed to exist where a Director is either directly or indirectly a party to a transaction being considered by the Board. A Director is “indirectly” a party to a transaction if the other party to the transaction is an officer, director, general partner or employee or holds any other position that could gain benefit from the transaction. Any conflict of interest on the part of a Director shall be disclosed to the Board and made a matter of record, through an annual procedure and when the interest becomes a matter of Board or Board Committee action.

The Board may adopt/amend policies from time to time to address a Director’s receipt of information and his/her participation in the discussion on matters with respect to conflicts of interest, which further define conflict of interest; and which address a Director’s receipt of information, and/or participation in the deliberation and voting on matters where a Director has disclosed an interest, which, although not a conflict of interest, may nonetheless constitute a duality of interest as defined in such policies. Each Director shall not less often than annually execute a conflict of interest statement in form and content approved by the Board of Directors.

ARTICLE 5. OFFICERS OF THE BOARD

- Section 5.1 Numbers and Titles. The officers of the Board of Directors shall be a Chairperson and one or more Vice-Chairpersons, a Treasurer and a Secretary.
- Section 5.2 Election and Term of Office. The officers of the Board shall be elected annually by Marklund’s Board of Directors. Each officer shall hold office until the first to occur of his or her resignation, removal or the election and qualification of his or her successor. Election of an officer shall not of itself create contract rights.
- Section 5.3 Removal. The Board of Directors, by a vote of a majority of the Directors present and voting, may remove any officer of the Board elected by the Board of Directors whenever in its judgment the best interests of Marklund would be served thereby.
- Section 5.4 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled for the unexpired portion of the term by the Board of Directors of Marklund.
- Section 5.5 Chairperson. The Chairperson of the Board of Directors, who shall be elected from among the members of the Board of Directors, shall be responsible, subject to the Board of Director’s approval, for matters of procedural policy and administration of the Board of Directors. The Chairperson shall preside at all meetings of the Board of Directors.

- Section 5.6 Vice-Chairpersons. In the absence of the Chairperson, or in the event of the Chairperson's inability or refusal to act, a Vice-Chairperson shall perform the duties of the Chairperson, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Chairperson. One or more additional Vice-Chairpersons may be elected from among the members of the Board of Directors. The Vice-Chairpersons shall perform such other duties as may be assigned to them by the Chairperson or by the Board of Directors.
- Section 5.7 Treasurer. The Treasurer shall be the Chairperson of the Finance Committee and shall be responsible for maintaining general supervision over the finances of Marklund, subject to consultation with the Chairperson, the President of Marklund, the Finance Committee of the Board and the Board of Directors.
- Section 5.8 Secretary. The Secretary shall send appropriate notices or waivers of notice regarding Board meetings in accordance with these Bylaws or as required by law, shall prepare agendas and other materials for all meetings of the Board of Directors, shall act as official custodian of all records, reports and minutes of Marklund, the Board of Directors and committees, shall be responsible for the keeping and reporting of adequate records of all meetings of the Board of Directors and shall perform such other duties as are customarily performed by or required of corporate secretaries. The Secretary may delegate any of such duties to the administrative staff of Marklund.
- Section 5.9 Other Officers and Agents. The Board of Directors may elect one or more assistant officers, or agents who shall perform such duties not inconsistent with these Bylaws as from time to time may be assigned to such officers by the Board of Directors.

ARTICLE 6. COMMITTEES OF THE BOARD OF DIRECTORS.

- Section 6.1 Committees Generally. Committees of the Board shall be standing or special. All committee chairpersons and committee members shall be elected by the Board of Directors from nominations made by the Board of Directors of Marklund. Committee members may include non-board members as voting members of the committee. Each standing or special committee shall have two or more Directors.
- Section 6.2 Committee Procedures Generally. Each committee shall record its deliberations, recommendations and conclusions and shall promptly deliver a copy of such minutes to the Secretary of Marklund. The Board Chairperson and the President shall have the right to attend and participate in the deliberations of all committees but shall have no vote unless a member of that committee. The Board Chairperson, the President or the Committee Chairperson may invite to any committee meeting such individuals as they may select who may be helpful to the deliberations of the committee. Each committee may operate through the establishment of one or more subcommittees to be composed of such members

of the committee and to have such duties and responsibilities as shall be delegated to the subcommittee by the committee. Each committee may adopt rules for its own operations and that of its subcommittees not inconsistent with these Bylaws or the policies of the Board of Directors. No committee may expend corporate funds without the consent and approval of the Board of Directors except if authorized by the President, within the spending authority granted by the Board of Directors.

Section 6.3 Standing Committees. The standing committees shall be an Executive Committee, a Governance Committee, a Finance Committee, and a Development Committee.

Section 6.4 The Executive Committee.

6.4.1 The Executive Committee shall at a minimum consist of the Chairperson of the Board and one member of the Governance, Finance, and Development Committee. The Immediate Past Chair will serve for one year after their term of office is completed and remain a member of the Board of Directors. The Chairperson of the Board shall be the Chairperson of the Executive Committee. In the event of any deadlock among members of the Executive Committee as to any matter, such matter shall be submitted to the Board of Directors at its next regularly scheduled meeting or a special meeting called for such purpose.

6.4.2 The Executive Committee shall have and may exercise all of the powers of the Board of Directors between meetings of the Board to the extent permitted by law, provided any action taken shall not conflict with the policies and directions of the Board of Directors previously adopted, and further provided that it shall not have the power to amend the corporate bylaws, approve a merger or dissolution of Marklund or remove a Director, an officer of the Board, or an officer of Marklund elected by the Board. It shall report all its actions to the Board of Directors not later than the next meeting of the Board of Directors.

6.4.3 The Executive Committee shall recommend compensation paid to officers of Marklund. It shall review the employment contracts, if any, for the President and any officers or other personnel and submit recommendations to the Board of Directors for approval.

Section 6.5 The Governance Committee.

6.5.1 The Governance Committee shall be responsible for ongoing review and recommendations of (a) Board member roles and responsibilities; (b) Board recruitment, composition, and succession; (c) Board development and education; (d) Board Assessment.

6.5.2 The Governance Committee shall consist of no less than three (3) and no more than seven (7) members of the Board.

- 6.5.3 The Governance Committee shall regularly solicit suggestions for Directors from the members of the Board, its advisory boards, if any, auxiliary groups, the parents and guardians of Marklund clients and the community at large. The Governance Committee shall make all reasonable efforts to solicit Parents and Guardians to serve on the Board. The Governance Committee shall present nominations to the Board of Directors of Marklund.
- 6.5.4 The Governance Committee shall present nominations for election of Directors for directly related affiliated Boards in which Marklund has the authority to elect Directors as called for by the Bylaws of the respective affiliates.

Section 6.6 The Finance Committee

- 6.6.1 The Finance Committee shall be responsible for the proper fiscal oversight of Marklund including (a) review and maintenance of accurate financial records and statements; (b) oversight of budget preparation and ongoing financial planning; (c) preservation of organizational assets; (d) compliance with State and Federal financial requirements.
- 6.6.2 The Finance Committee shall consist of not less than three (3) members and no more than seven (7) members of the Board of Directors.
- 6.6.3 The Finance Committee shall consider and review all of the financial matters and operations of Marklund and shall provide to the Board of Directors at its regularly scheduled meeting reports of its deliberations and findings and recommendations with respect to such matters and operations. Such recommendations shall include proposed annual capital and operating budgets for Marklund. The responsibilities include, but are not limited to, insurance, compensation (except for executive compensation), legal, investment, budget, cash management, audit, financial reporting, reimbursement, and business development.

Section 6.7 The Development Committee

- 6.7.1 The Development Committee shall be responsible for review and approval of planning and fund raising activities of Marklund. The Committee shall work closely with the development staff of Marklund and shall facilitate participation of the entire Board.
- 6.7.2 The Development Committee shall consist of not less than three (3) and no more than eleven (11) members, of which at least three (3) shall be members of the Board of Directors.
- 6.7.3 The Development Committee shall support the fund-raising efforts of Marklund as a whole. The committee shall provide the Board with findings and

recommendations with respect to such matters. The responsibilities include, but are not limited to, legislative relationships, fund-raising events, marketing and public relations, planned giving, and fund-raising ventures.

- Section 6.8 Special Committees. Special Committees of the Board may be appointed by the Chairperson with the concurrence of the Board of Directors of Marklund for such purposes and powers as may be deemed appropriate. Upon completion of the task for which appointed, any Special Committee shall stand discharged.
- Section 6.9 Advisory Committees. Members of Advisory Committees, if constituted, shall be appointed by the President of Marklund, with the approval of the Board of Directors, and may include staff and non board members for the purpose of advising and assisting Marklund with fund-raising and in-kind activities. It shall stand discharged upon completion of the task for which the committee was constituted.
- Section 6.10 Auxiliary Groups. Such groups, if constituted, shall be formally organized by adopting Bylaws, setting forth the purposes of the group and the manner in which such group shall function. Such bylaws must be approved by the Board of Directors. The President or other designated officer of such group shall report to the President of Marklund.
- Section 6.11 Quorum of Committee Members. A majority of any committee shall constitute a quorum and a majority of a quorum is necessary for committee action. A committee may act by unanimous written consent without a meeting and, subject to the provisions of these Bylaws or action by the Board of Directors, the committee, by majority vote of its members, shall fix the time and place of meetings and the notice required therefore.

ARTICLE 7. OFFICERS OF THE CORPORATION

- Section 7.1 Enumeration. The officers of Marklund shall be a President/Chief Executive Officer and a Chief Operating Officer. The Board of Directors may also elect one or more additional officers. Officers whose authority and duties are not prescribed in these Bylaws shall have the authority and perform the duties prescribed, from time to time, by the Board of Directors. Any two (2) or more offices may be held by the same person.
- Section 7.2 Term of Office. The officers of Marklund shall be elected at the annual meeting of the Board of Directors and shall hold office until their successors are elected and qualified or until their death, resignation or removal. Vacancies may be filled or new offices created and filled at any meeting of the Board of Directors. Election of an officer shall not of itself create contract rights. Any officer elected by the Board of Directors may be removed by the Board whenever in its judgment, the best interest of Marklund would be served thereby. Such removal

shall be without prejudice to the contract rights, if any, of the person so removed.

Section 7.3 President. The President, subject to the supervision of the Board of Directors and in matters of general policy, shall be the Chief Executive Officer of Marklund. The President shall have general supervision, direction and control of the business and affairs of Marklund and shall perform all duties incident to the office of President and such other duties as may be assigned to him or her by the Board of Directors. Except for the authority to execute as expressly delegated to another officer or agent of Marklund or a different mode of execution is expressly prescribed by the Board of Directors, the President may execute for the Corporation any contracts or other instruments which the Board of Directors has authorized to be executed and he or she may accomplish such execution individually or with the Secretary or any other officer authorized by the Board of Directors according to the requirements of the form of the instrument. He or she shall see that the resolutions and directives of the Board of Directors are carried into effect except in those instances in which that responsibility is assigned to some other person by the Board of Directors or Bylaws. He or she may vote all securities that Marklund is entitled to vote except as and to the extent such authority shall be vested in a different officer or agent of Marklund by the Board of Directors.

Section 7.4 Chief Operating Officer. Each Chief Operating Officer shall perform such duties and have such other powers as shall be assigned to him or her by the President or the Board of Directors. In the absence of the Chief Executive Officer or in the event of his or her refusal to act, a Chief Operating Officer or any Vice President shall be assigned by the Board of Directors the duties of the President and one so acting shall have all the powers of and be subject to all the restrictions upon the President.

ARTICLE 8. INDEMNIFICATION

Section 8.1 Actions By Other Than Corporation. Marklund may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of Marklund) by reason of the fact that he/she is or was a director, officer, employee or agent of Marklund, or a member of a committee of the Board of Directors or of Marklund, or is or was serving at the request of Marklund as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgment, fines and amounts paid in settlement actually and reasonable incurred by him/her in connection with such action, suit or proceeding if he/she acted in good faith and in a manner he/she reasonably believed to be in or not opposed to the best interest of Marklund, and with respect to any criminal action or proceeding, had no reasonable cause to believe his/her conduct, was unlawful. The termination

of any action, suit or proceeding by judgment, settlement or conviction or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he/she reasonably believed to be in or not opposed to the best interests of Marklund, and with respect to any criminal action or proceeding, had reasonable cause to believe that his/her conduct was unlawful.

Section 8.2 Actions by Corporation. Marklund may indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of Marklund to procure a judgment in its favor by reason of the fact that he/she is or was a director, officer, employee or agent of Marklund, or a member of a committee of the Board of Directors or of Marklund, or is or was serving at that request of Marklund as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him/her in connection with the defense or settlement of such action or suit if he/she acted in good faith and in a manner he/she reasonably believed to be in or not opposed to the best interests of Marklund and, except that no indemnification shall be made in respect of any claim, issue or matter as which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his/her duty to Marklund unless, and only to the extent that the court in which such action or suit was brought, shall determine upon application that, despite the adjudication of liability, but in view of all of the circumstances of the case, such a person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper.

Section 8.3 Expenses. To the extent that Marklund agrees to indemnify any person pursuant to Sections 8.1 and 8.2, Marklund shall further indemnify such person from any expense (including reasonable attorneys' fees) actually and reasonably incurred by such person in connection with any action, suit or proceeding referred to in Sections 8.1 and 8.2.

To the extent that a director, officer, employee or agent of Marklund, or a member of a committee of the Board of Directors of Marklund has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Sections 8.1 and 8.2 of this Article, or in defense of any claim, issue or matter therein, he/she shall be indemnified against reasonable expenses (including attorneys' fees) actually and reasonably incurred by him/her in connection therewith.

Section 8.4 Pre-Requisites. Any indemnification under Sections 8.1, 8.2 or 8.3 of this Article (unless otherwise ordered by a court of competent jurisdiction) shall be made by Marklund only as authorized in a specific case upon a determination that indemnification of the director, officer or employee or agent or a member of a committee of the Board of Directors or of Marklund is proper in the

circumstances as provided in Sections 8.1 and 8.2. Such determination shall be made (a) by the Board of Directors by a majority vote of a quorum consisting of Directors who are not parties to such action, suit, or proceeding, or (b) if such quorum is not obtainable by reason of the fact that all or a majority of the Directors are parties to such action, suit or proceeding, by independent legal counsel appointed by the Board. Any such determination made by independent legal counsel shall be set forth in a written opinion. Any indemnification under Section 8.1 and 8.2 of this Article (unless ordered by a court) shall be made by Marklund only as authorized in a specific case upon the determination that indemnification of the director, officer, employee or agent, or a member of a committee of the Board of Directors of Marklund, is proper under the circumstances because he/she has met the applicable standard of conduct set forth in Sections 8.1 and 8.2 of this Article. Such determination shall be made (a) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (b) if such a quorum is not obtainable, by independent legal counsel in written opinion.

Section 8.5 Advances By Corporation. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by Marklund in advance of the final disposition of such action, suit or proceedings as authorized by the Board in the specific case upon receipt of an undertaking by or on behalf of the indemnified person to repay such amount unless it shall ultimately be determined that such person is entitled to be indemnified by Marklund as authorized in this Article.

Section 8.6 Other Remedies. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any bylaw, agreement, vote of the disinterested directors or otherwise, both as to action in his/her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent, or a member of a committee of the Board of Directors or of Marklund, and shall inure to the benefit of the heirs, executors and administrators of such a person.

Section 8.7 Insurance. Marklund shall purchase and maintain insurance on behalf of any person who is or was a director, employee or agent of Marklund, or a member of a committee of the Board of Directors or of Marklund or as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him/her and incurred by him/her in any such capacity, or arising out of his/her status as such, whether or not Marklund would have the power to indemnify him/her against such liability under the provisions of this Article. Marklund may advance any amounts any person becomes personally responsible for by virtue of a deductible or self-insured retention provision in the insurance provided.

Section 8.8 Other References. For the purpose of this Article, references to “other enterprises” shall include employee benefit plans; references to “fines” shall

include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "serving at the request of the corporation" shall include any service as a Director, officer, employee or agent of the corporation that imposes duties on or involves services by such Director, officer, employee or agent with respect to an employee benefit plan, its participants or beneficiaries. A person who acted in good faith and in a manner he/she reasonably believed to be in the best interests of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the corporation" as referred to in this Article.

ARTICLE 9. FISCAL MATTERS

Section 9.1 Checks, Drafts, Etc. All checks, drafts or orders for the payment of money and all notes shall be signed by such officer or officers or person or persons (whether or not officers of Marklund) in such a manner as the Board of Directors may designate.

Section 9.2 Fiscal Year. The fiscal year of Marklund shall end on June 30 of each year.

Section 9.3 Deposits. All funds of Marklund not otherwise employed shall be deposited to the credit of Marklund in such banks or other depositories as the Board of Directors may select.

Section 9.4 Gifts; Donations. The Board of Directors may accept on behalf of Marklund any contribution, gift, bequest, grant or devise for the general, or for any special, corporate purpose.

Section 9.5 Contracts. The President and his express designees shall be authorized to execute contracts on behalf of Marklund where such contracts are either entered into in the ordinary course of business, or otherwise approved by the Board.

In addition, the Board may authorize other officers or agents to enter into any contract or execute and deliver any instrument in the name of and on behalf of Marklund, with such authority being either general or confined to specific instances.

Section 9.6 Loans. Marklund shall not make or obligate itself to make loans unless authorized by a resolution of the Board with such authority being either general or confined to specific instances. No loan shall be granted to an officer or Director of Marklund.

- Section 9.7 Indebtedness. Marklund shall not contract for, incur, or guaranty indebtedness outside of the ordinary course of Marklund's business unless authorized by a resolution of the Board with such authority being either general or confined to specific instances.
- Section 9.8 Budgets. The President of Marklund shall prepare or have prepared the annual capital and operating budgets of Marklund.
- Section 9.9 Strategic Plan. The President of Marklund shall prepare or have prepared and adopt the strategic plan of Marklund.
- Section 9.10 Maintenance of Records. Marklund shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors, and shall keep at the principal office a record giving the name and address of the voting members of the Board.
- Section 9.11 Dissolution, Merger, Acquisition, Etc. Provided that two-thirds (2/3) majority of votes of the voters present and voting at a regular or special meeting of the Board of Directors approves such action, the Board of Directors of Marklund may:
- 9.11.1 Adopt a plan of dissolution of Marklund;
 - 9.11.2 Authorize Marklund to engage in, or enter into, any transaction providing for the sale, mortgage or other disposition of all or substantially all of the assets of Marklund;
 - 9.11.3 Adopt a plan of merger or consolidation of Marklund with another corporation;
 - 9.11.4 Organize or acquire, or authorize the organization or acquisition of, any subsidiary or affiliate of Marklund ("affiliate" shall include any corporation, association, partnership, trust, joint venture, or other entity directly or indirectly controlling, controlled by, or under common control with Marklund);
 - 9.11.5 Alter or amend the Articles of Incorporation of Marklund;
 - 9.11.6 Approve the appointment of an independent auditor, the adoption of accounting policies and investment guidelines.

ARTICLE 10. GENERAL PROVISIONS

- Section 10.1 Waiver of Notice. Whenever any notice whatsoever is required to be given by law, by the Articles of Incorporation of Marklund, or by these Bylaws of Marklund, waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated herein, shall be deemed equivalent to the giving of such notice.

Section 10.2 Headings. Section or paragraph headings are inserted herein only for the convenience of reference and shall not be considered in the construction of any provision hereof.

ARTICLE 11. AMENDMENT OF BYLAWS

Section 11.1 Procedures for Amendment. These Bylaws may be altered, amended, or repealed, and new Bylaws may be adopted, by affirmative action taken by the majority of the Board of Directors.

The undersigned, as Secretary of Marklund's Children Home, an Illinois not-for-profit corporation, does hereby state and certify as follows:

By resolution dated March 24, 2016, the Board of Directors of Marklund Children's Home approved and adopted the Amended and Restated Bylaws of Marklund Children's Home.

Date: _____

4-7-16

By: _____

Jeffrey Rasch

Corporate Secretary, _____

