

BYLAWS OF RED LAKE COUNTY ECONOMIC DEVELOPMENT CORPORATION

ARTICLE I.

Offices

1. The registered office shall be in the City of Red Lake Falls, County of Red Lake, State of Minnesota. The mailing address of this registered office is Red Lake County Extension Office, 124 Langevin Ave, Red Lake Falls, Minnesota 56750.
2. The corporation may also have offices at such other places as the Board of Directors may from time to time appoint, or as the business of the corporation may require.

ARTICLE II.

Membership

1. The membership of the corporation shall be comprised of a Board of Directors. Membership of the Board of Directors should be comprised of three (3) members from each of the five (5) commissioner districts as defined by Red Lake County for the purpose of county commissioner elections in Red Lake County. Two of the members shall be county commissioners.

ARTICLE III.

Terms of Membership

1. The terms of membership of this corporation shall be for a term of three (3) years. No members may serve more than two (2) consecutive terms on the Board of Directors of this corporation. Prior to establishment of full terms one member from each commissioner district shall serve for year, one member shall serve for a term of two years and a third member from each district shall serve the full term of three years.

2. Membership of this corporation shall be appointed by the County Commissioners.

ARTICLE IV.

Duties of Members

1. The membership shall establish and review overall policy considerations for any and all activities of the Corporation.
2. A member may be removed by the Board of Directors for inefficiency, neglect of duty or misconduct in office. Inefficiency, neglect of duty or misconduct shall include by way of example and not of limitation:
 - A. Failure of a member to attend three (3) consecutive membership meetings to which he has been appointed unless the absence is excused as per a vote of the Board of Directors.
 - B. Failure to attend at least fifty percent (50%) of membership and/or committee meetings held during the period from one annual meeting to the next.

The manner of removal shall be prescribed by statute, as to Roberts Rules of Order, Revised.

3. A vacancy in the membership, any office, or position shall occur upon the death or resignation of a member, or if a member ceases to have the required qualifications for membership as provided here.
4. The County Commissioners shall fill any vacancies that occur. Such appointed members shall serve until such successors are selected through the regular process. Each vacancy shall be appointed based upon residency and affected commissioner district.

ARTICLE V.

Membership Meetings

1. The place of all meetings of the members shall be at such places as shall be determined, from time to time, by the Board of Directors, and the time and place at which such meeting shall be held be stated in the notice and call of the meeting.

2. The annual meeting of the members of the Corporation for the election of the Board of Directors/Loan Committee to succeed those whose terms expire and for the transaction of such other business as may properly come before the meeting, shall be held each year on the date of the annual meeting of the Corporation in the month of January. If the annual meeting of the members will not be held as herein prescribed, election of the Board of Directors/Loan Committee may be held at any meeting thereafter called pursuant to these Bylaws.

The voting of all meetings of the membership shall be by voice vote, but any qualified voter may demand a written ballot whereupon such vote shall be taken. There shall be no secret ballots.

At any meeting of the members, each member shall be entitled to one vote in person. There shall be no proxies permitted.

A complete list of the membership entitled to vote at any meeting of election, arranged in alphabetical order, shall be prepared by the Secretary, who shall have charge of such membership list. Such list shall be available in the office where the election or meeting is to be held and shall, and all times, be open to examination by members.

3. To facilitate the election of the President, the membership shall first elect the President, then the Vice President followed by the Secretary and Treasurer.
4. Special meetings of membership for any purpose or purposes unless otherwise prescribed by statute may be called by the President, Vice President or by a majority of the Board of Directors/Loan Committee, and shall be called at any time by the President or Vice President or the Secretary or Treasurer upon request of at least one-third (1/3) of all the members of the corporation. Business transacted at all special meetings shall be confined to the objectives stated in the call.
5. Written notice of the time and place of the annual meeting of members shall be given at least ten (10) days prior to the meeting. Notice of the time and place of special meetings shall be given in writing at least five (5) days prior to such meeting. The five (5) days notice may be waived by a majority of the Board of Directors signing a written waiver.
6. A quorum at any annual or special meeting of membership shall consist of at least six members of the corporation who are entitled to vote at such meeting.

If a quorum is not present at a properly called membership meeting, the meeting may be adjourned by those present and held at such later time and place as shall be stated in a notice of adjourned meeting given to all members pursuant to these Bylaws.

7. The membership shall meet on a quarterly basis at such time and at such as determined at their previous meeting. Ten (10) days notice shall be given for such meetings.

ARTICLE VI.

Board of Directors

1. The management of all of the affairs, property and business of the Corporation shall be vested in the Board of Directors.
2. The Board of Directors shall have all necessary authority to administer, operate, and manage the lending process, make loan authorizations and disbursements, and monitor the loan portfolio.

ARTICLE VII.

Loan Committee

1. The Loan Committee, consisting of five (5) directors, which includes one County Commissioner, plus the President of the Corporation who shall have no vote, shall be elected at the annual meeting of the membership as provided herein.
2. The Loan Committee shall have one member from each commissioner district.
3. The Loan Committee shall make recommendations to the Board of Directors regarding loans.
4. All vacancies on the Loan Committee shall be appointed by the County Commissioner, from the district where the vacancy occurs. A Loan Committee member thus selected to fill any vacancy shall hold office for the balance of the unexpired term to which he or she is appointed and until a successor is elected or qualified.
5. Meetings of the Loan Committee shall be held at least bi-monthly at such time and place as designated by the President of the Corporation. At least five (5) days written notice of such meetings shall be given to the Committee members by the Secretary.

6. Special meetings of the Loan Committee may be called at any time by the Chairman or by any two Committee persons, to be held at such place or places as the Directors may from time to time designate. Notice of special meetings of the Board of Directors shall be given to each Director five (5) days in advance by telephone, letter or personal visit by the Secretary. The five (5) days notice may be waived by written waiver signed by three (3) Directors.
7. A quorum at all meetings of the Loan Committee shall consist of three (3) members of the Committee; but less than a quorum may adjourn any meeting, which may be held on a subsequent date without further notice, provided a quorum be present at such deferred meeting.
8. No stated salary shall be paid to Loan Committee members for their services, but by subsequent resolution of the Board of Directors, a per diem not to exceed \$35.00 may be allowed for attendance at each regular or special meeting of such committee; provided that nothing herein contained shall be constructed to preclude any Loan Committee members from serving the corporation in any other capacity and receiving compensation therefore.
9. The members of the Board of Directors and Loan Committee members shall be entitled to reimbursement for mileage and meals for attendance at meetings scheduled by the Board of Directors and Loan Committee pursuant to notice. This reimbursement shall extend to reimbursement for mileage, meals and travel including reasonable hotel expenses if prior approval is obtained from the Board of Directors.

ARTICLE VIII.

Officers

1. The Officers of the Corporation shall be a President, a Vice President, a Secretary and a Treasurer who shall be elected at the first annual meeting of the membership. Thereafter, at each annual meeting of the membership, officers shall be elected to a one (1) year term. They shall hold office until their successors are elected and qualified. The President shall be a non-voting member of the Loan Committee. No person may hold more than one office on the Board of Directors.
2. The President shall preside at all meetings of the members, shall be in charge of the day-to-day operations of the Corporation, shall sign or counter-sign all certificates, contracts, and other instruments of the Corporation, shall make reports to the Board of Directors and perform all such other duties as are incident to his office or are properly required of him by the Board of Directors.

3. The Vice President shall exercise the functions of the President during the absence or disability of the President with the exception of being a non-voting member of the Loan Committee. In the event the Vice President is currently a member of the Loan Committee, he will have the same voting privileges as other members of the Loan Committee.
4. The Secretary shall issue notice for all meetings, except that notice for special meetings of Directors called at the request of the Directors as provided herein may be issued by such Directors, shall keep minutes of all meetings, shall have charge of the corporate books, and shall make such reports and perform such other duties as are incident to his office, or are properly required of him by the Board of Directors.
5. The Treasurer shall perform all duties incident to his office, which are properly required of him by the Board of Directors. The Treasurer must be bonded.
6. In the case of the absence or inability to act of any officer of the Corporation and of any person herein authorized to act in his place, the Board of Directors may from time to time delegate the powers or duties of such member to any other officer, or any Director or other person whom it may select.
7. Vacancies in any office arising from any cause may be filled by the Directors at any regular or special meeting.
8. The Board of Directors may appoint such other officers as it may deem necessary or expedient, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors.
9. The salaries, if any, of all officers and agents of this corporation shall be fixed by the Board of Directors.
10. The Officers of the Corporation shall hold office until their successors are chosen and qualify. Any Officers elected or appointed by the Board of Directors may be removed at any time, with cause, by the affirmative vote of a majority of the whole Board of Directors.
11. All disbursements must be signed by at least two (2) Officers.

ARTICLE IX.

Certificate of Membership

The Corporation shall not issue written certificates of membership.

ARTICLE X.

Finance and Administration

1. The money of the Corporation shall be deposited in the name of the Corporation in such bank or banks as the Board of Directors may designate, and shall be drawn out only by check signed by persons designated by resolution of the Board of Directors.
2. The fiscal year of the Corporation shall be from January 1 to December 31.
3. The nature, number and qualifications of the staff required by the Corporation to conduct its business according to these Bylaws and its Articles of Incorporation shall be annually determined by the Board of Directors.
4. The books and records of the Corporation shall be kept at the corporate offices.

ARTICLE XI.

Decisions of Loans

All decisions on loans which may be made by the corporation shall be by vote of the Board of Directors at a regular or special meeting held and conducted pursuant to these Bylaws.

ARTICLE XIII.

Annual Report

The Corporation shall prepare an annual report describing its activities and providing an accurate statement of its financial condition.

ARTICLE XIII.

Notice

1. Whenever the provisions of the statutes or these Bylaws require notice to be given to any Director, Officer, or Member, they shall not be constructed to mean personal notice; such notice may be given in writing by depositing the same in a post office or letter box, or in a post-paid, sealed wrapper, addressed to such Director, Officer or Member at his or her address as the same appears in the

books of the Corporation, and the time when the same shall be mailed shall be deemed to be the time of the giving of such notice.

2. A Waiver of any Notice in writing, signed by a Member, Director or Officer, whether before or after the time stated in said Waiver for holding a meeting, shall be deemed equivalent to a Notice required to be given to any Director, Officer or Member.

ARTICLE XIV.

Seal

This Corporation shall have no seal.

ARTICLE XV.

Indemnification

1. The Corporation shall have the power to indemnify any persons, whether Officers, Directors, Employees, Agents or other persons acting for or on behalf of the Corporation in respect to any and all matters or actions for which indemnification is permitted by laws of the State of Minnesota, including, without limitation, liability for expenses incurred in defending against action commenced or threatened.
2. At the discretion of the Directors, the Corporation may purchase and maintain insurance against claims arising out of events and made or threatened against persons described in Section I. Above, whether or not the Corporation has the power to indemnify such person under the laws of the State of Minnesota.

ARTICLE XVI.

No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to its Members, Directors, Officers, or other private persons, except that the Corporation shall be 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 II of the Articles of Incorporation.

No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall

not participate in, or 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 Articles of Incorporation or of these Bylaws, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a Corporation exempt from federal income tax under 501 (c) (3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law) or 9b) by a Corporation, contributions to which are deductible under 170 (c) (2) of the Internal Revenue Code of 1954 (or the corresponding provisions of any future United States Internal Revenue Law).

ARTICLE XVII.

Upon the dissolution of the Corporation, the Board of Directors shall, upon paying or making provisions for the payment of all the liabilities of the Corporation, dispose of all the assets of the Corporation exclusively for the purposes of the Corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable for educational purposes as shall at the time qualify as an exempt organization or organizations under 501 © (3) of the Internal Revenue Code of 1954 (or the corresponding provision of any future United States Internal Revenue Law), as the Board of Directors may determine. Any such assets not so disposed of shall be disposed of by the District Court of Red Lake County, exclusively for the purposes of the Corporation or such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE XVIII.

Amendment of Bylaws

Alterations, amendments or repeal of the Bylaws must be made by a majority of the members entitled to vote at any meeting, if the notice of such meeting contains a statement of the proposed alteration, amendment or repeal. Notice of any alteration, amendment or repeal of the Bylaws shall be given in writing to each member at least twenty (20) days prior to the meeting at which said proposed alteration, amendment or repeal shall be considered.

In addition to the above and in order for any such alteration, amendment or repeal to be effective, it must be ratified by the Board of Directors of the Red Lake County Economic Development Corporation at the next regularly scheduled meeting, following the alteration, amendment or repeal of the Bylaws.

ARTICLE XIX.

Miscellaneous

All meetings of the Corporation shall be governed by Roberts Rules of Order, Revised.