

**BYLAWS
OF
HUMAN PROTEOME ORGANIZATION (HUPO)
A New Mexico Nonprofit Corporation**

**ARTICLE 1.
NAME**

The name of this nonprofit corporation is Human Proteome Organization (HUPO) (the "Corporation").

**ARTICLE 2.
PURPOSE; POWERS**

Section 2.1 Purpose. Subject to the provisions of the New Mexico Nonprofit Corporation Act (the "Act"), the Corporation is organized and shall be operated exclusively for charitable, educational, scientific and literary purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code") or the corresponding provision of any future United States tax law. Specifically, the nonprofit corporation shall:

1. represent and promote proteomics through international cooperation and collaborations by fostering the development of new technologies, techniques and training, in order to better understand human disease and other aspects of human well-being, and by supporting related research into plants, livestock and pathogens;
2. play a leading role in:
 - (a) defining the location and functions of proteins in human health and disease through the development of common and specific standards for peptide and protein characterization from human and model organism specimen selection and phenotypic evaluation to data collection, storage and analysis, allowing free and rapid exchange of data; and
 - (b) the creation of country-based ethical and legal policy surrounding the handling, banking and use of human tissue and biofluid specimens for large-scale proteomics projects;
3. foster global collaboration in major proteomics projects by gathering leading international laboratories in life sciences, bioinformatics, mass spectrometry, systems biology, agricultural science, pathology, and medicine;
4. support large-scale proteomics projects that are aimed at a mechanistic understanding of fundamental biological processes (often using model organisms and non-human species) as well as directly studying human disease through proteomics techniques and technologies; and
5. coordinate and enable the fostering of communication among funding agencies and corporations with the proteomics communities and coordinating the activities of groups and organizations interested in the initiatives of the Corporation.

The Corporation shall be operated exclusively for such purposes, and no part of its net earnings shall inure to the benefit of, or be distributable to, its directors, officers or other private persons,

except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered by officers and directors of the Corporation and members of committees of the Corporation, and to make payments and distributions in furtherance of the purposes set forth in this Section 2.1. 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 distributing of statements) any political campaign on behalf of or in opposition to any candidate for public office. In no event shall the Corporation carry on any activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Code or the corresponding provision of any future United States tax law, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Code or the corresponding provision of any future United States tax law.

Section 2.2 Powers. The Corporation shall have and may exercise all powers and rights conferred upon nonprofit corporations organized and existing under the Act, and any additional powers and rights conferred upon such corporations by subsequent legislative acts, subject to the restrictions and limitations set forth above in this Article 2.

ARTICLE 3. OFFICES

The initial office of the Corporation shall be located in Santa Fe County, State of New Mexico. The Corporation may also have offices at such other places both within and without the State of New Mexico as the Executive Committee (defined below) may from time to time determine or the business of the Corporation may require.

ARTICLE 4. MEMBERS; MEETINGS OF MEMBERS

Section 4.1 Qualifications of Members. Any individual from academic, public and private organizations whose activities are devoted to research and activities related to human proteomics and/or the proteomics of other relevant organisms, that is committed to (i) complying with the objectives of the Corporation and to providing the Corporation with the benefit of his or her knowledge; (ii) respecting the confidentiality of contributors as well as all applicable legal and ethical obligations; and (iii) satisfying the conditions of admission set forth in any enacted membership policy of the Corporation, may become an individual member of the Corporation (a "Member").

Section 4.2 Annual and Special Meetings of Members. An annual meeting of Members shall be held at any place designated by the Council (defined below), either within or without the State of New Mexico. Special meetings of the Members may be called, at any time, by the President or by resolution of the Council or the Executive Committee.

Section 4.3 Meetings by Electronic Means. Members may participate in meetings by conference telephone or similar communications as designated by the Executive Committee. Participation by such means shall constitute presence in person at a meeting. Any Member

participating in a meeting by electronic means and entitled to vote, may cast a vote orally or by means of electronic communication as made available for that purpose.

Section 4.4 Notice of Membership Meetings. Notice of the date, time, and place of the regular annual meeting shall be given to each Member by electronic mail and/or regular mail no less than twenty-one (21) days prior to the regular annual meeting. Notice of the date, time, and place of any special meeting shall be given to each Member using the same method no less than seven days (7) prior to the special meeting.

Section 4.5 Waiver of Notice. Attendance of a Member at any meeting of Members shall constitute a waiver of notice of the meeting except when a Member 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 4.6 Quorum. The presence in person or by electronic means as permitted by these Bylaws of a number of Members equal to the lesser of (a) twenty-five percent (25%) of the total number of Members or (b) seventy-five (75) Members shall constitute a quorum for any meeting of the Members. The affirmative vote of a majority of the Members in attendance at the meeting shall constitute an act of the Members.

Section 4.7 Voting by Proxy. A Member entitled to vote may vote by proxy executed in writing by the Member or by his or her duly authorized attorney-in-fact. No proxy shall be valid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy.

ARTICLE 5. BOARD OF DIRECTORS (THE “COUNCIL”)

Section 5.1 Management by the Council. The affairs of the Corporation shall be managed by a board of directors (referred to herein as the “Council”) composed of the number of directors (“Councilors”) set forth below.

Section 5.2 Authority of the Council. The Council shall have complete control over the management of the property, affairs, and business of the Corporation with power to borrow money and to authorize its general officers to execute, in the Corporation’s name, bills, notes, and other evidences of indebtedness and to mortgage the property of the Corporation for that purpose. No contract shall be made or expense incurred on behalf of the Corporation except as authorized by resolution of the Executive Committee.

Section 5.3 Number. The number of elected Councilors shall not be fewer than nine (9) nor more than forty-eight (48), the exact number to be determined from time to time by the Council. The Council shall represent the regional HUPO organizations by approximately 1/3 from the Americas, 1/3 from Europe and Africa (combined) and 1/3 from Asia/Oceania. Each Councilor must be a scientist from the public or private sector with experience in educational, research or commercial activities related to the purposes of the Corporation. Councilors must be Members of the Corporation, but need not be residents of the State of New Mexico.

Section 5.4 Election. Councilors shall be elected from a slate provided by the Nomination Committee (defined below) at least 60 days prior to the election. The election shall be opened 22 days before the annual meeting of Members and voting shall be concluded 24 hours before this meeting. All Members shall be entitled to vote in the election of Councilors. The election shall be held by electronic means and the results of the election shall be announced at the annual meeting.

Diversity Candidates:

1. Each Regional (Easter, Central, Western) HUPO organization is asked to nominate 2 candidates to be considered for 'diversity' positions on the HUPO Council.
2. 'Diversity' candidates are nominated by the national/regional proteomics societies with the understanding that the selections should increase the diversity of the Council from each region (examples: less represented countries as defined by HUPO membership fees, gender balance, young scientists, agricultural and micro-organism proteomic, industry).
3. A documentation of the selection process is mandatory as part of the candidate documentation.
4. There is a block vote for diversity candidates with “accept” or “not accept” as part of the global HUPO election process.
5. The remaining (normally 3/region) council positions are elected by the HUPO membership.
6. A Regional HUPO organization can decide not to nominate diversity candidates and elect all councilors through the general election.

Section 5.5 Terms. Councilors shall be elected for terms of three (3) years, or such lesser time as is necessary to fill vacancies occurring by reason of resignation or removal of a Councilor or as is necessary so that terms of Councilors shall be on a rotational basis with approximately one-third of the Council having a term expiring each year. A Councilor elected in 2009 or later may serve no more than three (3) consecutive terms.

Section 5.6 Resignation. Any Councilor may resign at any time by delivering written notice to the Secretary or the President of the Corporation. Such resignation shall take effect upon receipt or, if later, at the time specified in the notice.

Section 5.7 Removal. Any Councilor may be removed, with or without cause, at any time, by a majority of the entire Council at a regular or special meeting called for that purpose. Any Councilor under consideration of removal must first be notified about the consideration by written notice at least five (5) days prior to the vote.

Section 5.8 Compensation. Councilors shall not receive any salaries or other compensation for their services, but may be reimbursed for any actual expenses incurred in the performance of their duties for the Corporation, as long as a majority of disinterested members of the Executive Committee approve the reimbursement. The Corporation shall not loan money or property to, or guarantee any obligation of, any Councilor. However, any Councilor who, upon request, performs special services for the Corporation may be paid such reasonable remuneration as the Executive Committee may determine by resolution.

Section 5.9 Ex Officio Members. The Council may from time to time designate and elect various persons to serve as *ex officio* members of the Council, which *ex officio* members shall have full voting power.

ARTICLE 6. MEETINGS OF THE COUNCIL

Section 6.1 Place of Meetings. Meetings of the Council shall be held by teleconference or at such place within or without the State of New Mexico as the President of the Corporation may designate.

Section 6.2 Annual and Special Meetings. An annual meeting of the Council shall be held in conjunction with the HUPO Annual Congress or at such other time as may be determined by the Executive Committee for purposes as may properly come before the Council. Special meetings may be called by the President or any two or more members of the Executive Committee. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Council need be specified in the notice or waiver of notice of the meeting.

Section 6.3 Meetings by Electronic Means. The Council may conduct meetings by telephone or electronic communications as designated by the Executive Committee. Participation by such means shall constitute presence in person at a meeting. Any Councilor participating in a meeting by electronic means and entitled to vote, may cast a vote orally or by means of electronic communication as made available for that purpose.

Section 6.4 Notice of Council Meetings. Notice of the date, time, and place of the regular meeting shall be given to each Councilor by regular mail and/or electronic mail no less than twenty-one (21) days prior to the regular meeting. Notice of the date, time, and place of any special meeting shall be given to each Councilor using the same method no less than seven days (7) prior to the meeting.

Section 6.5 Waiver of Notice. Attendance of a Councilor at any meeting shall constitute a waiver of notice of the meeting except when a Councilor 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 6.6 Quorum. A majority of the incumbent Councilors shall constitute a quorum for the purposes of convening a meeting and conducting business of the Council or such committee. At a meeting of the Council at which a quorum is present, the affirmative vote of a majority of the Councilors in attendance at the meeting shall constitute an act of the Council, unless a greater number is required by the Act.

Section 6.7 Action without a Meeting. Any action required or permitted to be taken by the Council under the Act, the Articles of Incorporation, or these Bylaws may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all the Councilors.

Section 6.8 Records of Meetings. The Council shall keep a correct and complete record of all of its proceedings, including any action taken by electronic or written consent, which shall be attested to by the signature of the Secretary.

ARTICLE 7. OFFICERS/EXECUTIVE COMMITTEE

Section 7.1 Designation of Officers/Executive Committee. The officers and the number of officers of the Corporation shall be chosen by the Council and shall consist of the President, immediate Past President or President-Elect, Vice President, Secretary, Treasurer and two Members-at-Large to be elected by a vote of the Council. A person selected as President- Elect who is not currently a member of the Council shall serve *ex officio* on the Council. All officers shall serve a two-year term, except as may be designated by the Council. The officers of the Corporation in office at any time constitute the “Executive Committee” of the Council.

Section 7.2 Election and Removal of Officers. The Council shall elect officers at each annual meeting of the Council and as soon as practical upon the occurrence of a vacancy in any office. Officers shall remain in office until their successors have been elected and qualified. Any two or more offices may be held by the same person, except the offices of President and Secretary. A list of officer candidates should be provided to Council ahead of the annual Council Meeting so the candidate list can be reviewed before the officer election.

Section 7.3 Compensation. Officers may receive a reasonable compensation for services actually rendered to the Corporation in such amount as is determined by the Council; provided however, that no officer shall be entitled to compensation merely by virtue of holding such office.

Section 7.4 Resignation. Any officer may resign at any time by delivering written notice to the Secretary or the President of the Corporation. Such resignation shall take effect upon receipt or, if later, at the time specified in the notice. A Councilor who is also an officer may resign his or her officer position without also resigning as a member of the Council.

Section 7.5 Removal. Any officer may be removed, with or without cause, at any time, by a majority of the entire Council at a regular or special meeting called for that purpose.

Section 7.6 Vacancies. Vacancies shall be filled by the Council. The officer filling the vacancy shall serve for the remainder of the term of the office that was vacated.

Section 7.7 Authority and Duties of Officers.

(a) *President.* The President shall be the chief executive officer of the Corporation, shall oversee general and active management of the business of the Corporation and shall see that all orders and resolutions of the Council are carried into effect. The President shall preside at meetings of the Council, Executive Committee, and the Members.

The President shall execute bonds, mortgages, and other contracts on behalf of the Corporation, except where required or permitted by law to be otherwise signed and executed and except where the signing and execution thereof shall be expressly delegated by the Council to some other officer or agent of the Corporation. The President shall appoint the chairs and members of committees, unless these are *ex officio*. The President shall be an *ex officio* member of all committees, except for the Nomination Committee.

(b) *President-Elect*. The President-Elect is the incoming President and shall be elected in the second year of the current President's term. The President-Elect will hold a one-year term before their two-year Presidency term. This overlap of President-Elect and current President is important to ensure a smooth transition of directorship. The President-Elect has voting power.

(c) *Immediate Past-President*. The primary role of the Immediate Past-President is to serve as a senior adviser and to ensure a smooth transition of directorship. The Immediate Past-President shall hold a one-year term after their Presidency and will be available for assistance and counsel. The Immediate Past-President has voting power.

(d) *Vice President*. The Vice President shall, in the absence or disability of the President, perform the duties and exercise the powers of the President and shall perform such other duties and have such other powers as the Council may from time to time prescribe. The Vice President shall serve as co-chair of the Industrial Advisory Board (defined below).

(e) *Secretary*. The Secretary shall perform such duties and have such other powers as the Council may from time to time prescribe. The Secretary shall give, or cause to be given, notice of all meetings of the Council, and shall perform such other duties as may be prescribed by the Council, the Executive Committee or the President. The Secretary shall have custody of the corporate seal of the Corporation, if any, and shall have authority to affix the same to any instrument requiring it and when so affixed, it may be attested by the Secretary's signature or by the signature of any other member of the Executive Committee. The Executive Committee may give general authority to any other officer to affix the seal of the Corporation and to attest the affixing by such officer's signature. To ensure diversity on the Executive Committee, the Secretary shall be from a different region than the President.

(f) *Treasurer*. The Treasurer shall have custody of the corporate funds and securities of the Corporation and oversee full and accurate accounts of receipts and disbursements in books belonging to the Corporation and shall cause the deposit of all monies and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Executive Committee. The Treasurer shall disburse the funds of the Corporation as may be ordered by the Executive Committee, taking proper vouchers for such disbursements, and shall render to the President and the Council at its regular meetings, or when the Council so requires, an account of all transactions as Treasurer and of the financial condition of the Corporation. If required by the Council, the Treasurer shall give the Corporation a bond in such sum and with such surety or sureties as shall be satisfactory to the Council for the faithful performance of the duties of

the office of Treasurer and for the restoration to the Corporation, in case of the Treasurer's death, resignation, retirement, or removal from office, of all books, papers, vouchers, money, and other property of whatever kind in the Treasurer's possession or under the Treasurer's control belonging to the Corporation. The Treasurer shall arrange for an annual independent audit of the finances of the Corporation and shall report the results to the Executive Committee and the Council. The US 990 Tax Form, filled out by an independent certified public account (CPA), shall be considered as the annual audit of the finance of the Corporation. When the HUPO Treasurer is otherwise unavailable, the HUPO President, in consult with the EC, will appoint an interim HUPO Treasurer to perform all duties of that position until necessary.

(g) *Members-at-Large.* The Members-at-Large shall perform such duties as the President or Council may from time to time prescribe.

ARTICLE 8. COMMITTEES

In addition to the standing committees described below, the Council may designate one or more committees, each of which shall consist of one or more Councilors and each of which may have such other members as the Council shall authorize. Each committee, to the extent provided in the resolution of the Council authorizing the committee, shall have and exercise such authority and responsibilities as the Council shall delegate to such committee. The designation and appointment of any committee and the delegation of authority thereto shall not operate to relieve the Council, or any individual Councilor, of any responsibility imposed upon it or any of them by law. All committees will include a Chair and Co-Chair position with the goal of having a balanced and diverse gender leadership.

(a) *Nomination Committee.* The Nomination Committee shall consist of not less than three (3) and not more than seven (7) individuals (including at least one (1) Councilor). Members of the Nomination Committee shall be elected or appointed, as the case may be, at the annual meeting of the Council. Meetings of the Nomination Committee shall occur at least sixty-seven (67) days prior to the election of Councilors at each annual meeting of Members. The slate of candidates for Councilor offered by the Nomination Committee shall be approved by the Executive Committee not less than sixty (60) days prior to the election. The Nomination Committee shall obtain written agreement from each candidate, make nomination recommendations and submit a list of candidates along with a short biographical sketch of each candidate to the Executive Committee for approval. The Nomination Committee shall exercise any other powers and duties as the Executive Committee may determine.

(b) *Finance Committee.* The Finance Committee shall consist of the President, the immediate past President, the President-Elect, the Treasurer and the immediate past Treasurer. The Treasurer shall serve as chair of the Finance Committee. The Finance Committee shall meet at least each calendar quarter. All requests for expenditures shall be submitted to the Finance Committee with an explanation of the request and its budget/cost. The Finance Committee will evaluate proposals and will forward its recommendations to the Executive Committee. The Executive Committee will decide how the money is allocated and

what projects will be supported. This process ensures that checks and balances are utilized throughout and enforces unbiased financial decisions.

(c) *Publications Committee.* The Publications Committee shall interact with the scientific journals and the scientists in the field of proteomics and shall establish and promote the vision of the Corporation with respect to standards in publications related to proteomics. The Publications Committee shall oversee the Website and other electronic bases (e.g., Twitter) established for sharing HUPO news and information with Members and the public.

(d) *Marketing and Outreach Committee.* The HUPO Marketing and Outreach Committee (MOC) is responsible for promoting proteomics via the HUPO brand to a wide audience using a range of tools and activities. The MOC organizes outreach activities, such as the delivery of proteomics presentations/seminars and the planning and running of workshops. To assist in these efforts, the generation of marketing materials for distribution using key contacts and social media platforms is used to reach audiences from scientific and non-scientific backgrounds. The MOC actively engages with third-party organizations to increase the profile of proteomics, for both visibility and potential streams of income and sponsorship. This combination of MOC activities is also aimed to increase the number of HUPO members. The committee reports to the HUPO Executive Committee, providing updates on successful events and future plans. In addition, the MOC coordinates the activities of several subcommittees including the Website and Social Media, Membership and Video/Advertising sub-committees to achieve the missions of MOC.

(e) *Initiatives Committee.* The Initiatives Committee shall oversee all aspects of the HUPO Initiatives, including the review of applications for prospective groups and performance of established HUPO Initiatives.

(f) *Awards Committee.* The Awards Committee shall annually solicit and review the nominations of individuals submitted by the membership to honor deserving members of the proteomics community world-wide. It is also responsible for raising the funds to be re- distributed to award winners.

(g) *New Technology and Resources Committee.* The New Technology and Resources Committee shall advise Members of new developments and tools that become available to the proteomics community.

(h) *Education and Training Committee.* The Education and Training Committee shall assemble programs which include workshops, courses, tutorials, etc., that may contribute to the professional growth and scientific awareness of Members.

(i) *Ethics Committee.* The Ethics Committee shall seek to ensure that the activities of the Corporation do not result in conflict of interest, and shall provide or recommend informational materials related to ethics and implement guidelines as needed.

(j) *Bylaws Committee.* The Bylaws Committee shall review these Bylaws periodically and make recommendations to the Council for amendment of the Bylaws as the need arises, in order to ensure that policies and procedures best comply with the goals,

mission and exempt-purposes of the Corporation.

(k) *Industrial Advisory Board.* The Industrial Advisory Board shall facilitate substantial ways for industry partners to support the proteomics community and the Corporation’s activities that are directed at developing the leading technologies and standards required for the field of proteomics to go forward. The co-chairs of the Industrial Advisory Board shall be the Vice-President of the Corporation and an industrial representative elected, from his or her group, by Industrial Advisory Board members, to serve a two-year term. Corporate members of the Industrial Advisory Board shall be assessed an annual fee as designated by the Council and shall be entitled to designate a person to represent them at meetings of the Industrial Advisory Board. The industrial co-chair of the Industrial Advisory Board shall be invited to attend Council meetings.

ARTICLE 9. INDEMNIFICATION

The Corporation shall have the power to indemnify any Councilor or officer or former Councilor or officer of the Corporation, or any person who, while a Councilor or officer of the Corporation, is or was serving at the request of the Corporation as a Councilor, officer, partner, trustee, employee or agent of any foreign or domestic corporation or nonprofit corporation, cooperative, partnership, joint venture, trust, other incorporated or unincorporated enterprise or employee benefit plan or trust, against reasonable expenses, costs, and attorneys’ fees actually and reasonably incurred by such person in connection with the defense of any action, suit or proceeding, civil or criminal, in which such person is made a party by reason of being or having been a director or officer of the Corporation. The indemnification may include any amounts paid to satisfy a judgment or to compromise or settle a claim. The Councilor or officer shall not be indemnified if such Councilor or officer shall be adjudged to be liable on the basis that such person has breached or failed to perform the duties of his or her office and the breach or failure to perform constitutes willful misconduct or recklessness. Advance indemnification may be allowed of a Councilor or officer for reasonable expenses to be incurred in connection with the defense of the action, suit, or proceeding, provided that the Councilor or officer must reimburse the Corporation if it is subsequently determined that the Councilor or officer was not entitled to indemnification.

ARTICLE 10. CONFLICT OF INTEREST POLICY

Section 10.1 Purpose. The purpose of the Conflict of Interest Policy is to protect the Corporation’s interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of a Councilor or officer of the Corporation or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Section 10.2 Definitions.

(a) “Interested Person” means any Councilor, officer, or member

of a committee with powers delegated to it by the Council, who has a direct or indirect Financial Interest (as defined below).

(b) “Financial Interest” means any of the following interests of a person, directly or indirectly, through business, investment, or family:

- (i) An ownership or investment interest in any entity with which the Corporation has a transaction or arrangement;
- (ii) A compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement; or
- (iii) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A Financial Interest is not necessarily a conflict of interest. A person who has a Financial Interest may have a conflict of interest only if the Council decides that a conflict of interest exists.

Section 10.3 Procedures.

(a) *Duty to Disclose.* In connection with any actual or possible conflict of interest, an Interested Person must disclose the existence of the Financial Interest and be given the opportunity to disclose all material facts to the Council and members of any committee, with powers delegated to it by the Council, that is considering the proposed transaction or arrangement.

(b) *Determining Whether a Conflict of Interest Exists.* After disclosure of the Financial Interest and all material facts, and after any discussion with the Interested Person, the Interested Person shall leave the Council or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Councilors or committee members shall decide if a conflict of interest exists.

(c) *Addressing the Conflict of Interest.*

(i) An Interested Person may make a presentation at the Council or committee meeting, but after the presentation the Interested Person shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

(ii) The Council or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

(iii) After exercising due diligence, the Council or committee shall determine whether the Corporation can, with reasonable efforts, obtain a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

(iv) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Council or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Corporation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, the Council or committee shall make its decision as to whether to enter into the transaction or arrangement.

Section 10.4 Violations of the Conflicts of Interest Policy.

(a) If the Council or committee has reasonable cause to believe that a Councilor, officer or committee member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the Councilor, officer or committee member an opportunity to explain the alleged failure to disclose.

(b) If, after hearing the Council's, officer's or member's response and after making further investigation as warranted by the circumstances, the Council or committee determines that the Councilor, officer or committee member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 10.5 Records of Proceedings. The minutes of the Council and all committees with Council-delegated powers shall contain:

(a) The names of the persons who disclosed or otherwise were found to have a Financial Interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Council's or committee's decision as to whether a conflict of interest in fact existed.

(b) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Section 10.6 Compensation.

(a) A voting member of the Council who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation.

(b) A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from

the Corporation for services is precluded from voting on matters pertaining to that member's compensation.

(c) No voting member of the Council or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Section 10.7 Annual Statements. Each Councilor, officer and member of a committee with powers delegated to it by the Council shall annually sign a statement which affirms that such person:

- (a) Has received a copy of the Conflict of Interest Policy;
- (b) Has read and understands the policy;
- (c) Has agreed to comply with the policy; and
- (d) Understands the Corporation is charitable and, in order to maintain its federal tax exemption, it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Section 10.8 Periodic Reviews. To ensure the Corporation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax- exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- (a) Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining; and
- (b) Whether partnerships, joint ventures, and arrangements with management organizations conform to the Corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Section 10.9 Use of Outside Experts and Advisers. When conducting the periodic reviews as provided for in Section 10.8, the Corporation may, but need not, use outside experts and advisors. If outside experts or advisors are used, their use shall not relieve the Council of its responsibility for ensuring periodic reviews are conducted.

ARTICLE 11. AMENDMENT OF BYLAWS

These Bylaws may be amended, added to, rescinded or repealed two-thirds affirmative vote of all the Councilors then in office and provided that notice of the proposed revision to these Bylaws shall be set forth in writing at least seven (7) days before the vote at which such proposed changes are to be acted upon.

ARTICLE 12.

DISSOLUTION

Upon the dissolution of the Corporation, the Corporation's assets shall be applied and distributed as provided in Section 53-8-48 of the New Mexico Nonprofit Corporation Act or its successor; provided that any assets of the Corporation remaining after the payment and discharge of all liabilities and obligations of the Corporation shall be applied and distributed solely for one or more exempt purposes within the meaning of Section 501(c)(3) of the Code or the corresponding provision of any future United States tax law, or shall be distributed to the federal government, or to a state or local government, for a public purpose.

These Bylaws were approved and adopted as the Bylaws of the Corporation at the organizational meeting of the Council of the Corporation held on February 28, 2012.

Catherine E Costello
Catherine E. Costello, President

July 21, 2012
Date

R. Simpson
Richard A. Simpson, Secretary

Jul -23, 2012
Date