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VETERANS OF FOREIGN WARS OHIO CHARITIES

BY-LAWS

ARTICLE I - NAME AND LOCATION

- Section 1 This corporation as authorized by the Council of Administration, Department of Ohio, Veterans of Foreign Wars of the United States shall be known as the “Veterans of Foreign Wars of Ohio Charities”, hereinafter, referred to as the “VFWOC”.
- Section 2 The principal office of the VFWOC Headquarters shall be located in Columbus, Ohio. The VFWOC may have other offices, such as Field Agencies, as the Board of Directors may from time to time determine.

ARTICLE II - AUTHORITY

- Section 1 This organization shall at all times be governed by the Articles of Incorporation as filed with the Secretary of State of the State of Ohio on the 20th day of February 2003; Ohio Charter Number 1367466, as the same may from time to time be amended.
- Section 2 All provisions of these By-Laws are subject to the provisions of the Articles of Incorporation and the Internal Revenue Code, Section 501(c)(3). The Federal Tax Employer Identification Number is 41-2078103.

ARTICLE III - PURPOSE

- Section 1 The VFWOC is organized exclusively for one or more of the purposes specified in Section 501(c)(3) of the Internal Revenue Code, including:
- A Specifically, for charitable, scientific, literary or educational purposes or for the prevention of cruelty to children and for such other purposes now or hereafter recognized in Section 501(c)(3) of the Internal Revenue Code or corresponding section of any future Federal Tax Code.
 - B The VFWOC is also organized for the making of distributions to organizations that qualify as exempt organizations under 501(c)(3) of the Internal Revenue Code and such other exempt organizations to which distributions can now or hereafter be made without adverse tax consequences.

ARTICLE IV - MISSION

- Section 1 We support veterans, their families, and their communities.

ARTICLE V - 501(c)(3) IN EXEMPTION

Section 1 Limitations of Activities:

- A Notwithstanding any other provisions of these By-Laws, the VFWOC shall not carry on any activities not permitted to be carried on by:
- (1) An organization exempt from Federal Income Tax under Section 501(c)(3) of the Internal Revenue Code, or:
 - (2) By an organization, contributions to which are deductible under Section 170(c)(2) or (c)(3) of the Internal Revenue Code.
- B No substantial part of the activities of this organization shall be the carrying on of propaganda, or otherwise attempting to influence legislation (except as otherwise provided by Section 501(h) of the Internal Revenue Code), and this organization shall not participate in, or intervene (including the publishing or distribution of statements) in any political campaign on behalf of, or in opposition to, any candidate for public office.

Section 2 Prohibition against private inurement: No part of the net earnings of this organization shall inure to the benefit of, or be distributable to its Directors, Officers, Field Agencies, or other persons, except that the organization shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of this organization.

Section 3 Distribution of Assets. Upon the dissolution of this organization, its assets remaining after payments, or provision for payment, of all debts and liabilities of the organization shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code or shall be distributed to the Federal Government, or to the State of Ohio or Local Government, for a public purpose. Such distribution shall be made in accordance with all applicable provisions of the laws of the State of Ohio.

Section 4 Private Foundation Requirements and Restrictions: In any taxable year in which this organization is a Private Foundation as described in Section 509(a) of the Internal Revenue Code, the organization:

- A Shall distribute its income for said period at such time and manner as not to subject it to tax under Section 4942 of the Internal Revenue Code.
- B Shall not engage in any act of self-dealing as defined in Section 4941 of the Internal Revenue Code.
- C Shall not retain any excess business holdings as defined in Section 4943 of the Internal Revenue Code.
- D Shall not make any investment in such manner as to subject the organization to tax under Section 4944 of the Internal Revenue Code; and
- E Shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code.

ARTICLE VI - MEMBERSHIP

Section 1 There shall be no members of the VFWOC.

ARTICLE VII - BOARD OF DIRECTORS

Section 1 Powers: Subject to the provisions of the laws of the State of Ohio and any limitations in the Articles of Incorporation and in these By-Laws, all of the activities and affairs of the VFWOC shall be managed, controlled and directed and all corporate powers shall be exercised by the Board of Directors.

Section 2 Duties: It shall be the duties of the Board of Directors to:

- A Perform any and all duties imposed on them collectively or individually by law, the Articles of Incorporation or these By-Laws.
- B Direct the VFWOC to accomplish the purposes set forth in the Articles of Incorporation and these By-Laws.
- C Meet at such times and places as required by law or these By-Laws. Should a director have either 2 non-excused or 3 excused absences within a Calendar year they may be removed from the board for cause as determined by a majority of the Board.
- D Register their home addresses, Email addresses, fax numbers, telephone numbers and cell phone numbers at the principal office of the VFWOC.

Section 3 Number and Terms: The Board of Directors of the VFWOC shall consist of eleven members and shall be constituted as follows:

- A The three individuals listed, by their positions in the Department of Ohio, Veterans of Foreign Wars of the United States, shall serve as voting members on the Board of Directors of the VFWOC in the positions of VFW State Commander, Senior Vice Commander and Junior Vice Commander shall serve as Directors on the Board. until their successor has been installed.
- B 3 members elected by the Board of Directors shall be persons who are believed to provide special counsel, skills and expertise on the ways and means of achieving the stated purposes of the VFWOC for a period of 4 years. (SUBJECT TO BE REAPPOINTED BY THE BOARD IF APPROPRIATE)
 - a. two veterans of which will be from outside of the VFW Department of Ohio of leadership with professional experience/skills
 - b. one will be appointed as directed by the Board of Directors at the annual convention in June.
- C Chairman of the Board: The Chairman of the Board of the VFWOC, shall be elected by the Board of Directors and can serve up to 2-consecutive 4-year terms if so elected to a second term, unless otherwise removed sooner by the Board of Directors. The Chairman of the Board shall:
 - (a) Preside over all meetings of the Board of Directors (exceptions are described in Article VIII, Section 3).

- (b) Coordinate with the ED and set an agenda of all meetings of the Board of Directors.
- (c) Assist the ED in setting dates, times, and places of the Annual, Regular, and Special meetings of the Board of Directors.
- (d) Appoint a chairman or member(s) to all committees, except the Executive Committee, Advisory Committee, and the Chairman of the Finance Committee.
- (e) Appoint annually, one of the Members of the Board of Directors as Secretary. The Secretary shall be responsible to attend and keep minutes of all the meetings of the Board of Directors.
- (f) Perform all duties incident to the office of the Chairman of the Board subject to the control of the Board of Directors.
- (g) Advise and aid all committees in all matters designed by the Board of Directors and do and perform such other duties as may be assigned to that office by the Board of Directors.

D. One (1) Director shall be elected each year for a term of four (4) years, selected as per section 4(a)

Section 4 Elections

- A Each year, the open 4-year director shall be elected through a ballot process by the VFW agents in good standing. Individuals interested in becoming a candidate must: (1) be a member in good standing (2) submit name and brief bio to VFWOC HQ by October 1st. VFWOC HQ will compile all candidate(s) and mail a ballot out to contracted agents in good standing by October 15th. The agents shall vote for 1 candidate and return the ballot to VFWOC HQ, postmarked by December 1st.

Section 5 Vacancies: any elected member of the Board of Directors may resign at any time by giving written notice of such resignation to the Board of Directors. In addition:

- A Elected members of the Board of Directors may be removed by two-thirds vote of the Board of Directors at an Annual, Regular or Special meeting, but only if by reason of sickness or disability and is unable to serve, or has violated accepted standard of conduct adopted by the Board of Directors.
- B Vacancies created by resignation or removal shall be filled by the members of the Board of Directors then serving.

Section 6 Compensation: Members of the Board of Directors shall serve without compensation. However, they shall be allowed reimbursement of reasonable expenses incurred in the performance of their duties.

Section 7 Inspection Rights: Every member of the Board of Directors shall have the right at any reasonable time, to inspect all books, records, documents, and properties of every kind of the VFWOC Headquarters' Office or the Office of any Field Agency, as may be required under the Articles of Incorporation or these By-Laws and provisions of law.

Section 8 **Voting Rights:** Each member of the Board of Directors shall have one vote on all matters with respect to which members may vote, unless otherwise provided herein or under the applicable laws of the State of Ohio. The vote of a majority of the members present at a meeting at which a quorum is present shall be necessary for the exercise of the powers of the members of the Board of Directors.

Section 9 **Executive Director:** The Executive Director will be hired by the Board of Directors through a competitive process and Compensation shall be established by the Board of Directors. ED executes policy as directed by the Board of Directors and may be removed by a majority of the Board of Directors if the Board decides they have lost confidence in their ability to lead the Organization.

- (1) The Executive Director must have good communication skills, analytical ability, decision-making and planning skills, a team player, creative problem-solver, flexible and inclusive.
- (2) The Executive Director shall: Plan, organize and direct the Charity and Benevolent Purposes and Programs, as describe in the Articles of Incorporation and the By-Laws and implemented in the Charity Operations Policy of the Veterans of Foreign Wars of Ohio Charities. Maintaining the Headquarters Office of the Veterans of Foreign Wars of Ohio Charities and adhering to all requirements for maintaining a viable not-for-profit corporation.
- (3) The Executive Director shall: Plan, organize and administer operations and supervise employees of the Veterans of Foreign Wars of Ohio Charities.
- (4) The Executive Director shall: Manage the resources of the Headquarters Office by establishing appropriate control and supervision procedures to ensure staffing, equipment and finances are used effectively in support of the aims and objectives of the Veterans of Foreign Wars of Ohio Charities.
- (5) Manage and administer the day-to-day operations of the VFWOC, including fiscal management, program development, implementation, and public/community relations.
- (6) shall execute with the Treasurer, in the name and on behalf of the VFWOC, all contracts, deeds, certificates, bonds or other agreements authorized or ordered by the Board of Directors.
- (7) Assist the Treasurer and the Finance Committee in diligently managing/monitoring all investments and reporting financial matters to the Board on a quarterly basis.

Core Competencies:

Strategic Leadership/Vision | Relationship Building | Decision Making /Judgment /Self Starter/Trust Building/Organizational Leadership

Duties and Responsibilities:

The Executive Director will be a hands-on manager and will be responsible to:

- Provide leadership, management, and direction to the VFWOC.
- Serve as a spokesperson for the VFWOC to the media and general public.
- Work as an effective partner with the Board in providing vision, strategy, and leadership.
- Confer regularly with the Chair and Executive Committee of the Board.
- Work as a team member with the Chair, officers, and various committee chairs to implement Board decisions.
- Assist with the development of goals and long-range planning and progress reports.
- Assist the Chair in planning and preparation of Board and Executive Committee agendas.
- Supply supporting information on relevant issues and develop strategies for implementing Board decisions.
- Attend all Board and Executive Committee meetings and the majority of all other standing committee meetings.
- Provide the Board and Executive Committee with complete, accurate and timely reports. Responsible for ongoing Board education and development.
- Assist the Finance Committee and the Board in developing an annual operating budget.
- Assist the Finance Committee and the Board in developing and implementing methods to build funds with a high priority on sustainability funding.
- Maintaining excellent communications with the Board, community advisors, funders, donors, and grantees.
- Working with existing and potential donors to cultivate relationships, facilitate gifts, and build funds.
- Working with non-profits, community organizations, and fund-holders to promote awareness of the VFWOC and grant opportunities.
- Representing VFWOC and its mission and values Statewide. Interact with other Charities to share ideas and implement best practices.
- Providing leadership for VFWOC strategic planning and skillfully managing its growth.
- Serve in the capacity of community leadership; responsible to partner with other community leaders to help develop and implement initiatives that enhance the Charity.

Section 10 Treasure's duties include:

Budgeting – The treasurer is overall responsible for orchestrating the development of the VFWOC annual budget, 12 Jan to 31 Dec. This includes working closely with key stakeholders including the Finance Committee and Executive Director.

Financial Policy Development – This primarily involves developing and implementing financial policies, to include Internal Control Procedures that guide the use of funds.

Reporting – While the responsibility of analyzing raw financial data for developing the IRS 990 and annual tax reporting falls to the accountant (services contracted out). The treasurer plays a key role in reporting; compiling the analyzed data into a report and presenting it to the board and other stakeholders.

When creating their report, the treasurer will pull information from a variety of sources, including invoices, statements, e.g., credit cards, and accounting software such as Sage Accounting. Types of data categories to be reported are:

Budget vs. actual comparisons of revenue and expenses. **Bank account statements**, along with relevant reconciliation reports. **Investment updates** on endowments, donor advised funds, and brokerage accounts.

Treasurer's reports will be presented at Board meeting to include Department of Ohio Mid-Winter Conference (Budget approval), Department of Ohio State Convention (semi-annual report), or at other Board meetings or other meetings as directed by the Chairman of the Board.

ARTICLE VIII - MEETINGS

- Section 1 All meetings of the Board of Directors of the VFWOC shall be governed by Robert's Rules of Order, insofar as such rules are not inconsistent with the provisions of law, the Articles of Incorporation, or these By-Laws.
- Section 2 A quorum shall consist of six of the members of the Board of Directors. Except as otherwise provided by law, the Articles of Incorporation, or these By-Laws, no business shall be considered by the Board of Directors at any meeting at which the required quorum is not present and the only motion which the Chair shall entertain at such meeting is a motion to adjourn.
- Section 3 All meetings of the Board of Directors shall be presided over by the Chairman of the Board. In the absence of the Chairman of the Board, then such meeting will be presided over by a chairperson, chosen by a majority vote of the board members present at the meeting.
- Section 4 Every act or decision done or made by a majority of the Directors present at a meeting, duly held at which a quorum is present, is the act of the Board of Directors, unless provisions of law,

the Articles of Incorporation or these By-Laws require a greater percentage of different voting rules for approval of a matter by the Board of Directors.

- Section 5 At least one week prior to the annual scheduled meeting, regular scheduled meetings, or any required special meetings of the Board of Directors, notice shall be given by the Chairman of the Board to each director of each meeting of the Board of Directors. Such notice may be oral or written, may be given personally by first class mail, by facsimile machine, or by E-mail and shall state the date, time and place of the meeting and the matters proposed to be acted upon at the meeting.
- Section 6 Annual Meeting: The Annual Meeting of the Board of Directors shall be held in the month of January, at a time to be determined by the Board of Directors at the previous Annual Meeting. In addition to any other business that shall be considered at such meeting, the Board of directors shall adopt a budget governing the fiscal activities of the VFWOC for the succeeding year.
- Section 7 Regular Meetings: The Board of Directors shall, in addition to an Annual Meeting have at least one other Regular Meeting each year, at a t time to be fixed by the Board of Directors at the Annual Meeting and such other Regular Meetings as the Board of Directors may desire.
- Section 8 Special Meetings: Special Meetings of the Board of Directors, may be called by the President, the Chairman of the Board, or by any three directors or if different, by the person or persons specifically authorized under the laws of the State of Ohio to call Special Meetings of the Board of Directors. Such meetings shall be held at a time and place determined by the President or the Chairman of the Board.
- Section 9 A. Meeting not in Person: Any meeting action required or permitted by the laws of Ohio, the Articles of Incorporation or these By-Laws to be taken at a meeting of the Board of Directors can be taken at a meeting that is not face-to-face in person for all directors; the meeting can be in person, by electronic means, such as Zoom, or by telephonic means, such as a conference call. Not all directors are required to attend in the same manner, any combination of these requirement is permissible provided that all members can hear or understand all discussions and can participate. "New" methods of participation at meetings not presently contemplated are acceptable if the requirements of this section are met.
- B. Notice of Meetings the Chairman shall ensure that at least one week's notice is given of all annual or scheduled meetings pursuant to Article 5, herein. Scheduled meetings approved by Board action and reflected in the minutes require no further notice. Special meetings to deal with exigent issues may be called by the Chairman and shall have notice of at least 24 hours given to all directors by email, telephone, fax or in person, provided that a shorter time is acceptable if approved by all directors. Meetings which do not result in board action, such as committee meetings, may be called by the Board Chairman or the committee chair upon such notice as is the chair deems reasonable.
- C. Quorum and Sufficiency Requirements for Meetings Not in Person The number of directors participating in any meeting not in person shall determine if quorum or sufficiency numbers have been met. The minutes of the meeting shall list those directors attending and the mode of attendance. Votes taken resulting in board action shall be individually listed for

each member and whether the required threshold have been met, i.e. quorum, majority or supermajority.

D. Form of Actions at Meetings Not in Person Any action taken at a meeting where some or all of the members are not present in person shall be disposed of in the same manner as would be followed at an in-person meeting of the Board of Directors. The resulting meeting and the written votes thereof shall be filed with the minutes of the meetings of the Board of Directors and shall have the same force and effect of any other vote by the Board of Directors.

E. Unanimous Written Consent Meeting actions can be taken by the unanimous written consent of all directors pursuant to Ohio Revised Code § 1702.25, current or future version. Any method of submitting a signature is authorized by the statute and different methods can be used for different members; Directors may sign by a document, pdf, by an email, by a fax, etc. The signing methods can be a combination of methods, just so all directors submit. A meeting is not necessary, the signed document speaks for itself.

ARTICLE IX - COMMITTEES

- Section 1 Executive Committee: There shall be an Executive Committee consisting of the Executive Director, secretary and the Chairman of the Board. The Executive Committee shall:
- A Be responsible for formulating specific programs and policies to fulfill the purposes of the VFWOC subject to the approval of the Board of Directors.
 - B Be responsible to review annually, the VFWOC By-Laws and adopted policies, except the Employment Policy, make any additions, deletions or changes and submit them to the Board of Directors for their approval or disapproval at the Annual Meeting.
 - C Exercise all powers conferred on it by the Board of Directors in the management and direction of the business and the conduct of the affairs of the VFWOC during intervals between meetings of the Board of Directors.
 - D Shall review the VFWOC's Employment Policy annually, make any additions, deletions or changes to the Policy and submit new policy to the Board of Directors at the next available meeting.
- Section 2 Finance Committee: There shall be a Finance Committee consisting of the Treasurer and two other members (no less than 3) of the Board of Directors appointed by the Chairman of the Board. It shall be the duty of the Finance Committee to:
- A Audit the books and finances of the VFWOC as directed by the Articles of Incorporation and these By-Laws. The Chairman of the Finance Committee shall cause a copy of such audit be sent to the Board of Directors.
 - B On a quarterly basis, the Finance Committee shall review the VFWOC's Employment Policy annually, make any additions, deletions or changes to the Policy and submit new policy to the Board of Directors at the Annual Meeting. Upon approval of the new Employment Policy by

the Board of Directors, it shall be the Policy of the VFWOC until the next Annual Meeting of the Board of Directors.

- C It shall be the responsibility of the Finance Committee to recommend a balanced budget to be submitted for approval, disapproval, or adjustments at the Annual Meeting of the Board of Directors.
- D It shall also be the responsibility of the Finance Committee to review the budget during the year and plan adjustments and recommendations on how to maintain a balanced budget for the year.
- E The Finance Committee shall concern itself with the investment policy and other matters pertaining to the finances of the VFWOC.

ARTICLE X - FIELD AGENCY

- Section 1 The Board of Directors have authorized, VFW Posts, Fraternal and Sporting Organizations in good standing with their parent organization and the State of Ohio, the privilege of operating as a Field Agency, authorized to receive, hold and distribute VFWOC owned funds to support the charity purposes and programs of the Veterans of Foreign Wars of the United States and to support other charity programs as described in Article III and Article IV of these By-Laws. The Board of Directors has further authorized the VFWOC Executive Director to suspend the accounts of Agents who fail to follow the By-Laws and policy of the VFW Ohio Charities in addition to the OHIO REVISED CODE.
- Section 2 In order for a VFW Post, Fraternal or Sporting Organization to receive the privilege of Field Agency status with the VFWOC, they must have a valid contract, required by Ohio Revised Code 2915 on file at VFWOC Headquarters and agree to operate in compliance with the "Fundraising Policy" and the "Charity Operations Policy" of the VFWOC, authorized and published by the Board of Directors, which from time to time may be altered or amended to comply with Federal and State of Ohio law, the Articles of Incorporation, or these By-Laws.

ARTICLE XI - EMPLOYEES

- Section 1 The VFWOC will maintain an Employment Policy that will include current regulations governing job description, employment, wage scales, vacation, leave, appeals, sick leave, and holidays. These regulations are to be reviewed and updated every year by the Finance Committee and approved by the Board of Directors.

ARTICLE XII - RECORDS

- Section 1 The VFWOC shall keep at its principal office:
 - A Minutes of all meetings of the Board of Directors and Committee meetings indicating the time and place of such meetings, whether annual, regular, or special, how called, the notice given, the names of those present and the proceedings thereof.

- B Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts disbursements, gains, and losses.
- C Adequate and correct records on each Field Agency's charity activities, including a valid contract, copies of checking account statements, cancelled checks, vouchers, and other necessary supporting documents that justify the receiving and dispersing of charity funds for the VFWOC.
- D A copy of the corporation's Articles of Incorporation, the IRS 501(c)(3) Determination Document and the VFWOC By-Laws and adopted Policies as amended to date.
- E These records shall be open to inspection to the members of the Board of Directors at all reasonable times during business hours.

ARTICLE XIII - REPORTS

- Section 1 The VFWOC shall submit an annual Form 990 to the IRS and the State of Ohio which will encompass the financial affairs and activities of the VFWOC and its network of Field Agencies.

ARTICLE XIV - MISCELLANEOUS

- Section 1 Seal: The Board of Directors may, by resolution, adopt an appropriate seal for the use by the VFWOC.
- Section 2 Fiscal Year: The fiscal year of the VFWOC shall commence on the first day of January and end on the last day of December in each year.
- Section 3 Contracts: The Board of Directors, by resolution, may authorize any officer(s), the Executive Director Director(s) or Agency(s) of the organization in addition to the personnel so authorized by these By-Laws, to include specifically designated employees of the VFWOC, to enter into any contract, including agents' charity gaming contracts, or execute and deliver any instrument in the name of and on behalf of the organization and such authority may be general or confined to specific instances.
- Section 4 Checks, Drafts, etc.: All checks, drafts or other orders for the payment of money, notes or other evidence of indebtedness issued in the name of the organization shall be signed by the Treasurer or such Officer(s), Director(s) or Agent(s) of the organization and in such manner as shall from time to time be determined by resolution of the Board of Directors.
- Section 5 The activities of the organization pursuant to its purpose, shall be supported by gifts, grants and contributions.
- Section 6 Any VFWOC employee or Board member requesting financial assistance in any amount must submit a request to the VFWOC Executive Director. The Executive Director must have the approval of the Board of Directors prior to issuing any financial assistance to said employee or Board member.

ARTICLE XV - INDEMNIFICATION

- Section 1 The VFWOC shall 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 the VFWOC by reason of the fact that such person is or was a director, officer, employee, agent or committee member of the VFWOC, or is or was serving at the request of the VFWOC as a director, officer, employee, agent or committee member of another corporation, partnership, joint venture, trust or other enterprise against expenses, including attorney's fees, judgments, fines and amounts paid in settlement actually and reasonable believed incurred by such person in connection with such action, suit or proceeding; if such person acted in good faith and in a manner reasonable believed by such person to be in, or not opposed to, the best interest of the VFWOC and with respect to any criminal action or proceeding had no reasonable cause to believe his or her conduct was unlawful.
- Section 2 The termination of any action, suit or proceeding by judgement, order, settlement, connection 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 such person reasonably believed to be in or not opposed to the best interests of the VFWOC and with respect to any criminal action or proceeding; had reasonable cause to believe that his or her conduct was unlawful.
- Section 3 The VFWOC shall 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 the VFWOC to procure a judgment to its favor by reason of the fact that such person is or was serving at the request of the VFWOC as a director, officer, employee, agent or committee member of another corporation, partnership, joint venture, trust or other against expenses, including attorney's fees, actually and reasonably incurred by such person in connection with the defense or settlement of the action or suit if such person acted in good faith and in a manner reasonably believed by such person to be in, or acted in good faith and in a manner reasonably believed by such person to be in, or not opposed to the best interests of the VFWOC except that no indemnification shall be made with respect to any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence of misconduct in the performance of the duty of such person to the VFWOC unless and only to the interest that the court in the adjudication of liability and in view of all the circumstances of the case, the court shall deem proper fairly and reasonable entitled to indemnity for such expenses which the court shall deem proper.
- Section 4 To the extent that a director, officer, employee, agent or committee member of the VFWOC has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in paragraphs 1 and 2 of this article, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses, including attorney's fees, actually and reasonably incurred by such person in connection with the action, suit or proceeding.
- Section 5 Any indemnification under paragraphs 1 and 2 of this article, unless ordered by a court, shall be made by the corporation only as authorized in the specific case upon determination that indemnification of the director, offer, employee, agent or committee member is proper in the circumstances because such person has met the applicable standard of conduct set forth in this

article. The determination shall be made by the Board of Directors by a majority vote of the quorum consisting of directors who were not parties to the action, suit, proceeding or if such a quorum is not attainable, or even if attainable and a quorum of disinterested directors so directs, by independent legal counsel in a written opinion.

- Section 6 Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the VFWOC in advance of the final disposition of the action, suit or proceeding as authorized by the Board of Directors in the specific case upon receipt of an undertaking by or on behalf of the director, officer, employee, or committee member to repay such amount unless it ultimately shall be determined that such person is entitled to be indemnified by the VFWOC as authorized to this section.
- Section 7 The indemnification provided by this article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any By-Law agreement, vote of disinterested directors or otherwise, both as to action in an 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, agent or committee member and shall inure to the benefit of the heirs, executors and administrators of such a person.
- Section 8 The corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, agent or committee member of the VFWOC or was serving at the request of the VFWOC as a director, officer, agent or committee member of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against such person and incurred by such person in any such capacity or arising out of such person's status as such. Whether or not the VFWOC would have the power to indemnify such person against such liability under the provisions of this article.

ARTICLE XVI - BY-LAWS

- Section 1 Except as may otherwise be specified under the provisions of law or the Articles of Incorporation, these By-Laws or any of them, may be altered, amended, or repealed and new By-Laws adopted by approval of two-thirds of the Board of Directors.
- Section 2 If there is any conflict between the provisions of these By-Laws and the Articles of Incorporation, the provisions of the Articles of Incorporation govern.
- Section 3 Should any of the provisions or portions of these By-Laws be held unenforceable or invalid for any reason, the remaining provisions and portions of these By-Laws shall be unaffected by such holding.
- Section 4 All references in these By-Laws to the Articles of Incorporation shall be to the Articles of Incorporation, Articles of Organization, Certificate of Incorporation, Organizational Charter, Corporate Charter or other founding document(s) of this corporation filed with an office of the State of Ohio and used to establish the legal existence of this corporation.
- Section 5 All references in these By-Laws to a section or sections of the Internal Revenue Code shall be such sections of the Internal Revenue Code of 1986 as amended from time to time, or to corresponding provisions of any future Federal Tax Code.