

Resolution Number 2007- 07-21

**Resolution Adopting the Amended and Restated By-Laws
of the Illinois Finance Authority**

BE IT RESOLVED BY THE ILLINOIS FINANCE AUTHORITY, AS FOLLOWS:

Section 1. Authority. This resolution is adopted pursuant to Section 801-25 and Section 801-30 of the Illinois Finance Authority Act, 20 Illinois Compiled Statutes 3501/801-1 et seq. (the "Act").

Section 2. Adoption of By-laws. The following Amended and Restated By-laws are adopted as the By-laws of the Illinois Finance Authority.

ILLINOIS FINANCE AUTHORITY

BY-LAWS

ARTICLE I

ORGANIZATION

Section 1. Name. The name of the Authority shall be the Illinois Finance Authority (the "Authority"), as provided in Section 801-25 of the Illinois Finance Authority Act, 20 ILCS 3501/801-1 et seq. (the "Act").

Section 2. Status. The Authority is a body politic and corporate of the State of Illinois, duly organized and existing under the Act.

Section 3. Principal Office. The principal office of the Authority shall be located at Chicago, Illinois. The Authority may maintain a branch office anywhere in the State, and may utilize, without payment of rent, any office facilities that the State may conveniently make available to it.

Section 4. Seal. The corporate seal of the Authority shall be a circular disk, having described around the periphery thereof the words "Illinois Finance Authority", and in the center the word "Seal".

ARTICLE II

MEMBERSHIP

Section 1. Membership of the Authority. The Authority is comprised of fifteen (15) members appointed by the Governor, with the advice and consent of the Senate of the State of Illinois. The members of the Authority shall be persons of recognized ability and experience in one or more of the following areas: economic development, finance, banking, industrial development, small business management, real estate development, housing, health facilities financing, local government financing, community development venture finance, agricultural finance, construction, and labor relations.

Section 2. Term of Office. The provisions for the terms of office, vacancies and removal of members of the Authority are established in Section 801-15 of the Act.

Section 3. Powers. The members of the Authority shall possess and exercise all the powers granted in the Act, and by all other statutes of the State of Illinois specifically naming the Authority; and such other powers not inconsistent with the Act as are authorized by the general laws of the State of Illinois and as may be necessary to effectuate the purposes of the Act. The Executive Director or any committee of the Authority may carry out such responsibilities of the Authority as the Authority by resolution may delegate.

ARTICLE III

OFFICERS OF THE AUTHORITY

Section 1. Chairperson. The Chairperson of the Authority shall be selected by the Governor for a term of two years. The Chairperson shall preside at all meetings of the Authority and perform such other duties as shall be necessary or desirable by reason of his or her position as Chairperson or as may be directed by a duly adopted resolution of the Authority.

Section 2. Vice Chairperson or Acting Chairperson. At the direction of the Authority a Vice Chairperson or Acting Chairperson shall be elected by the Authority from among its members for a term expiring on the date of the next annual meeting following such election and if so elected he or she shall preside at meetings of the Authority and perform all duties incumbent upon the Chairperson during the absence or disability of the Chairperson.

Section 3. Secretary and Treasurer. The Authority shall appoint a Secretary and a Treasurer, who may, but need not, be members of the Authority, to hold office during the pleasure of the Authority. Before entering upon the duties of Secretary or Treasurer such person shall satisfy the applicable conditions and requirements specified in Section 845-40 of the Act. The Secretary shall keep the minutes of all meetings, maintain custody of the Authority seal, and shall execute such documents and perform such other duties as shall be directed by the Authority from time to time. The Treasurer shall collect, receive and deposit all funds of the Authority as provided by law.

Section 4. Assistant Secretary. The Authority may, but need not, appoint from time to time, one or more Assistant Secretaries who may, but need not be, a member or members of the Authority, to perform any of the duties imposed upon the Secretary unless the Authority or the Secretary shall otherwise direct.

Section 5. Executive Director. From nominations received from the Governor, the members of the Authority shall appoint an Executive Director. The Executive Director shall hold office for a one year term. The Executive Director shall be the chief administrative and operational officer of the Authority and shall direct and supervise its administrative affairs and general management and perform other such duties as may be prescribed by the members of the Authority from time to time.

Section 6. Continuation in Office Pending Appointment of Successor. The Chairperson and the Executive Director shall remain in office after the expiration of their term of office pending the appointment and qualification of their successor.

ARTICLE IV

MEETINGS

Section 1. Annual Meeting. The annual meeting of the Authority shall be held in July on such day and at such time and place as may be designated by the Authority, or in the absence of such action, by the Chairperson. The Authority shall hold an annual meeting in January of 2004 for the fiscal year ending June 30, 2004.

Section 2. Regular Meetings. The time, date and location of all regular meetings for the fiscal year in which the Annual Meeting takes place shall be established by resolution at the Annual Meeting. Immediately following such Annual Meeting, a schedule reflecting the time, date and location of the meetings so established shall be prepared, posted and distributed in accordance with the Open Meetings Act (5 ILCS 120/1 *et seq.*, as supplemented and amended) (the "Open Meetings Act"). The time, date and location of any regular meeting may be changed by resolution of the members of the Authority in compliance with the Open Meetings Act.

Section 3. Special Meetings. A special meeting of the Authority may be held upon call by the Chairperson, or any three (3) members of the Authority upon not less than forty-eight (48) hours notice to the public and each member of the Authority. Such notice shall specify the time, date and location of the meeting, include an agenda, and be given to the public in the form and manner specified by the Open Meetings Act.

Section 4. Emergency Meetings. An emergency meeting of the Authority may be held upon call by the Chairperson, or any three (3) members of the Authority. Notice of an emergency meeting shall be given as soon as practicable, but in any event prior to the holding of such meeting, to any news medium which has filed an annual request for such notice. Such notice shall specify the time, date and location of the meeting, include an agenda, and be given to the public in the form and manner specified by the Open Meetings Act. At the beginning of an emergency meeting, the chairman shall briefly describe, for the record, the emergency circumstance(s) and such comments shall appear in the minutes.

Section 5. Quorum and Voting. Eight (8) members of the Authority shall constitute a quorum. All official acts of the Authority shall require the approval of at least eight (8) members. All meetings shall be conducted at a single location within the State with a quorum of members physically present at this location. Other members who are not physically present at this location may participate in the meeting and vote on all matters by means of a video or audio conference in accordance with policies adopted by the Board from time to time. During the roll call of the members at any Authority meeting, the Secretary or Assistant Secretary shall call the name of the members physically present at the meeting and the name of those members participating by means of a video or audio conference. Each member participating by means of a video or audio conference shall be deemed authorized to attend, participate in, and vote at, the meeting once their name has been called into the roll of the members or called during any roll call vote of the members taken at such meeting.

Voting by the members on all official acts of the Authority, including, but not limited to, all resolutions, ordinances, by-laws, rules and regulations for the conduct of its business and affairs, shall be recorded. A member may make a statement for the record respecting the reasons for the casting of his or her vote. Any member wishing to do so shall declare "with a statement" after responding to roll call and casting his or her vote. Upon the completion of voting by the members on any particular official act of the Authority, and before the recording of such voting, the Chairperson shall call upon each member who has declared an intention to make a statement. Each such member, when

called upon by the Chairperson, shall make a concise statement respecting any reasons for the casting of his or her vote. Such a statement shall be recorded with the member's vote. Any vote of a member at any meeting or on any issue shall be cast by the member and not by proxy.

Section 6. Order of Business and Agenda. The Executive Director in consultation with the Chairperson shall establish the agenda for meetings of the Authority, provided that the Chairperson or any two (2) members of the Authority may direct that a matter be placed on the agenda. Unless otherwise provided by law, the Act, rules of the Authority or these By-Laws, the business of the Authority at any regular or special meeting shall be conducted pursuant to Robert's Rules of Order Newly Revised (2000 ed.).

Section 7. Written Minutes. The Secretary shall keep written minutes of all meetings of the Authority which shall contain, at a minimum, the following: a) the date, time and location of the meeting; b) the members of the Authority recorded as either present or absent; c) whether the members of the Authority are attending the meeting in person or by other means; d) the specific wording of resolutions adopted; e) a general description of all matters proposed, discussed or decided; and f) a record of any vote taken, together with any statement made for the record by any member respecting his or her vote. Said minutes shall be made available for public inspection in accordance with the Open Meetings Act (5 ILCS 120, *et seq.*).

Section 8. Conflicts. In the event of a conflict, the provisions of the Act, as amended from time to time, shall supersede these By-Laws.

ARTICLE V

ADMINISTRATIVE PERSONNEL

Section 1. Controller. The Authority may, upon such terms and conditions as it shall deem proper, employ a Controller who shall have custody of the Authority's financial records, and who shall keep or cause to be kept full and accurate books and records of the accounts of the Authority. The Controller, if one is employed, shall exercise all powers and duties as may from time to time be assigned to him or her by the Authority. Before entering upon the duties of Controller, such person so employed shall execute a bond with a corporate surety. Such surety bond shall be in an amount and by such surety company as the members may determine. Such surety bond shall be conditioned upon the faithful performance of the Controller of his or her duties, and shall be executed by a surety company authorized to transact business in the State of Illinois as surety.

Section 2. Assistant Executive Directors. The Authority may employ one or more Assistant Executive Directors upon such terms and conditions as the Authority shall deem proper.

Section 3. Other Personnel. The Authority may engage the services of such other agents and employees, including attorneys, appraisers, engineers, accountants, credit analysts and other consultants, as it may deem advisable, and may prescribe their duties and fix their compensation.

ARTICLE VI

ADMINISTRATION

Section 1. Audit and Accounting Procedures. The accounts and books of the

Authority, including its receipts, disbursements, contracts and other matters relating to its finances, operation and affairs shall be examined and audited at the end of each fiscal year by the Auditor General or by a firm of certified public accountants which shall certify its audit to the Comptroller of the State of Illinois.

Section 2. Fiscal Year. The initial fiscal year of the Authority shall end on June 30, 2004. Each subsequent fiscal year for the Authority shall commence on the first of July.

Section 3. Annual Budget/Salary Schedule. The Authority shall not incur any obligations for salaries, office or other administrative expenses prior to the making of appropriations to meet such expenses. At the beginning of each fiscal year, the Executive Director shall present a tentative budget for consideration by the members of the Authority. Approval of such budget shall be deemed as appropriating funds to meet such expenses. Additionally, the members of the Authority shall establish the salary of the Executive Director for the fiscal year, and the Executive Director shall establish a salary schedule for the employees of the Authority for the fiscal year. The Executive Director shall report to the members of the Authority the employee salary schedule. The salaries established for the prior fiscal year shall remain in effect until the new salaries for the forthcoming or current fiscal year are established. At any time during the fiscal year, the budget and salary of the Executive Director may be amended by a vote of the members of the Authority and the employee salary schedule may be amended by the Executive Director (in which case such amendment shall be reported to the members of the Authority); any such amendment is to be deemed an additional or supplementary appropriation of funds. Prior to January 31, 2004, the members shall approve the budget of the Authority for the initial fiscal year.

Section 4. Reports. As soon after the end of each fiscal year as may be expedient, the Authority shall cause to be prepared and printed a complete report and financial statement of its operations and of its assets and liabilities. A reasonably sufficient number of such reports shall be printed for distribution to persons interested, upon request, and a copy thereof shall be filed with the Governor, the Secretary of State, the Comptroller, the Secretary of the Senate and the Chief Clerk of the House of Representatives of the State of Illinois.

Section 5. Execution of Documents. All contracts and agreements entered into by the Authority shall, except for those instances described in Section 7 of this Article, or unless the members by resolution otherwise direct, be executed on behalf of the Authority by the Chairperson, Executive Director, any Assistant Executive Director or Treasurer, and may be attested to by the Secretary or any Assistant Secretary. Nothing in these By-Laws shall be deemed to limit in any manner the right of the members by resolution adopted at a meeting to delegate other or different officers to execute a specific document or documents at any time. Nothing in these By-Laws shall be deemed to prohibit the use of facsimile signatures where compliance has been had with the Uniform Facsimile Signature of Public Officials Act of the State of Illinois. (30 ILCS 320/1 et seq., as supplemented and amended).

Section 6. Deposit and Withdrawal of Authority Funds. All funds deposited by the Treasurer in any bank shall be placed in the name of the Authority and shall be withdrawn and paid out only by check or draft upon the bank, signed by (i) the Treasurer and countersigned by the Chairperson or the Executive Director; (ii) the Chairperson and countersigned by the Treasurer or the Executive Director or (iii) the Executive Director and countersigned by the Treasurer or the Chairperson. The Authority, by resolution, may designate any of its members or any officer or employee of the Authority to affix the signatures of the Executive Director, Chairperson and Treasurer to any check or draft for payment of any salaries or wages, and for payment of any other obligation of not more than twenty-five hundred dollars (\$2,500.00).

Section 4. Authorization for Indemnification. Any indemnification under Sections 1 or 2 of this Article (unless ordered by a court) shall be made by the Authority only as authorized in a specific case upon a determination that indemnification of the member, officer or employee is proper in the circumstances because he or she has met the applicable standard of conduct set forth in Sections 1 or 2 of this Article. Such determination shall be made (i) by the members of the Authority by the affirmative vote of at least eight (8) members who were not parties to such action, suit or proceeding, or (ii) pursuant to the direction of the members, by independent legal counsel expressed in a written opinion.

Section 5. Advancement of Funds for Expenses. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Authority in advance of the final disposition of such action, suit or proceeding upon delivery to the Authority of a written undertaking by or on behalf of the member, officer or employee to repay all amounts so advanced if it should be determined ultimately, as provided herein, that such person is not entitled to indemnification as provided in this Article.

Notwithstanding the foregoing, no advance shall be made by the Authority if a determination is reasonably and promptly made (i) by the members of the Authority by the affirmative vote of at least eight (8) members who were not parties to such action, suit or proceeding, or (ii) pursuant to the direction of the members, by independent legal counsel expressed in a written opinion, that, based on the facts known to the Board or independent counsel at the time such determination is made, such person acted in bad faith and in a manner that such person did not believe to be in or not opposed to the best interests of the Authority, or with respect to a criminal proceeding, that such person believed or had reasonable cause to believe his conduct was unlawful. In no event shall the Authority be required to advance any expenses to a person against whom the Authority brings a claim, in a proceeding, alleging that such person has breached his or her duty of loyalty to the Authority, committed an act or omission not in good faith or that involves intentional misconduct or a knowing violation of the law.

Section 6. Non-exclusive. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which a person seeking indemnification may be entitled under any statute, by-law, agreement, vote of disinterested members or otherwise, both as to action in his or 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 member or officer and shall inure to the benefit of the heirs, executors and administrators of such a person.

Section 7. Insurance. The Authority shall have power to purchase and maintain insurance on behalf of any person who is or was a member, officer, employee or agent of the Authority, or is or was serving at the request of the Authority as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against the person and incurred by the person in any such capacity, or arising out of the person's status as such, whether or not the Authority would have the power to indemnify the person against such liability under the provisions of this Article.

ARTICLE VIII

AMENDMENTS

These By-Laws may be amended by the affirmative vote of not less than eight (8) members of the Authority at any meeting, provided ten (10) days written notice of the proposed amendment has been

given to all members. Such notice may, however, be waived if all members are present and if unanimous consent is given to the adoption of the amendment

Section 3. Enactment This resolution shall take effect immediately. If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this resolution.

Adopted this 10th day of July, 2007, by roll call vote as follows:

Ayes: 11

Nays: 0

Abstain: 0

Absent: 3

Vacancies: 1

A handwritten signature in black ink, appearing to be "J. J. [unclear]", is written over a horizontal line. Below the line, the text "Assistant Secretary" is printed in a small, sans-serif font.

Assistant Secretary

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