

By-Laws of Freeman Community Development Corporation

February 2020 Revision

ARTICLE I.

Name and Legal Status

Section 1. Name. The Name of the corporation shall be Freeman Community Development Corporation.

Section 2. Legal Status. The Freeman Community Development Corporation operates under the laws as a non-profit corporation of the State of South Dakota.

Section 3. I.R.S. Status. The Freeman Community Development Corporation is recognized as a 501 (c.) 6 non-profit corporation by the U.S. Internal Revenue Service and conforms to the requirements of this status.

Section 4. Liability. No member shall be liable for the debts of this corporation.

Section 5. Scope. This corporation in its activities shall be nonpartisan and nonsectarian.

ARTICLE II.

Mission/Vision

Section 1. Mission Statement. The Mission of this non-profit corporation shall be to foster and promote economic development, to support the community's current business infrastructure, and to advance a positive quality of life in the Freeman Community and its service area.

Section 2. Vision Statement. In the pursuit of its Mission the Freeman Community Development Corporation will work for the establishment of Freeman as a regional center for Agriculture, Commerce, Tourism, Health Care, Professional Services, Education, Industry, and the celebration of its Arts and Heritage.

ARTICLE III.

Offices

Section 1. Principal Office. The principal office of the corporation in the State of South Dakota shall be located in the City of Freeman, County of Hutchinson. The corporation may have such other offices, either within or without the City of Freeman, as the Board of Directors may require from time to time.

Section 2. Registered Office. The registered office of the corporation required by the South Dakota Non-Profit Corporation Act to be maintained in the State of South Dakota may be, but need not be, identical with the principal office in the state of South Dakota, and the address of the registered office may be changed from time to time by the Board of Directors.

ARTICLE IV.

Members

Section 1. Classes of Membership. The corporation shall have four (4) classes of membership. These are: (1) businesses with 1 Full-time Employee; (2) businesses with 2-9 Full-time Employees; (3) businesses with 10 or more full-time employees) and (4) Individual/Family Memberships.

Section 2. Benefits of Membership by Membership Class

(1) Class 1-3 Membership benefits are the same and include:

- Voting privileges at the Annual Meeting and Any Special Meeting of the Full Membership
- Eligibility for Board Membership (any multi-year slot or annual ex officio slot)
- Formal public recognition as an FCDC member on all listings of the membership
- Information to be provided regularly on FCDC projects/activities
- Invitations to all FCDC activities
- Reduced rates for sponsorship/advertising at FCDC events when such opportunities are offered.
- Special consideration (Membership Priority) in the awarding of contracts or the purchase of services/goods using FCDC funds consistent with criteria/levels set by the Board.

- Other benefits as may from time to time be established by the Board of Directors or the Full Membership

(2) Individual/Family Membership benefits:

- Voting privileges at the Annual Meeting and Any Special Meeting of the Full Membership
- Eligibility for Board Membership (any multi-year slot or annual ex officio slot)
- Formal public recognition as an FCDC member on all listings of the membership
- Information to be provided regularly on FCDC projects/activities
- Invitations to all FCDC activities
- Other benefits as may from time to time be established by the Board of Directors or the Full Membership

Section 3. Annual Dues. Any person, business, organization or other entity can become a member of the Corporation by purchasing an annual membership in one of the four identified classes. Annual dues shall be set by the Board of Directors and shall become due on January 15th for the calendar year.

Section 4. Official Representative. Each member shall identify an Official Representative to the corporation. This individual shall be the only person empowered to cast a vote, receive official notifications, serve as a member of the Board or take any other action for the member except through a proxy as defined in Section 11 of this Article.

Section 5. Annual Meeting. The Annual Meeting shall be held between the 15th day of January and the 15th day of February in each year at a time and place designated by the Board of Directors. Election of the Corporate Directors shall normally take place at this Annual Meeting. If that is deemed impractical or impossible for whatever reason, this election shall be accomplished at a Special Meeting of the Full Membership which shall be called by the Board of Directors as soon as can be conveniently accommodated.

Section 6. Special Meetings of the Full Membership. Special Meetings of the Full Membership for any purpose or purposes may be called by the Board President, Board Vice-President, or by not fewer than ten (10) members entitled to vote at such meeting.

Section 7. Place of Meeting of the Full Membership. The Board of Directors may designate any place, either within or without the City of Freeman for the Annual Meeting or any Special Meeting of the Full Membership so long as that site is clearly identified in the Notice of Meeting.

Section 8. Notice of Meeting. Electronic, written, or printed notice stating the place, day, and hour of the Annual Meeting and, in the case of a Special Meeting of the Full Membership, the purpose or purposes for which the Special Meeting is called, shall be distributed to all members entitled to vote at such meetings no fewer than five (5) days nor more than fifty (50) days before the date of the meeting. Such notice may be accomplished using e-mail or by any other electronic means identified by the member as sufficient for such notification. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his/her address as it appears on the books of the Corporation, with postage thereon prepaid.

Section 9. Quorum for Annual Meeting and Special Meetings of the Full Membership. Ten (10) members entitled to vote on matters to be voted upon represented in-person by the member's Official Representative or their proxy shall constitute a quorum. If less than a quorum of the members are represented at a meeting, a majority of the members so represented may adjourn the meeting to a future time without further notice. At such adjourned meeting held at the appointed future time, at which a quorum shall be present, any business may be transacted, which might have been transacted at the meeting as originally notified.

Section 10. Participation by Electronic Means. The use of teleconference, videoconference or any other electronic means allowing direct interaction in the meeting is specifically allowed. Member's Official Representatives participating in this manner count for quorum and are entitled to participate in discussions, make motions and exercise any other rights allowed normally to a member's Representative. Their votes on matters at the meeting are to be counted as if they were physically present.

Section 11. Proxies. At all meetings of the Full Membership, the Official Representative of a member may authorize another individual to serve in his/her place by proxy delivered in writing or via e-mail to the Secretary before or at the time of the meeting. Such individual so recognized shall enjoy all the rights and powers of the Member's Representative for that meeting only and will be counted toward quorum requirements.

Section 12. Voting of Members/Majority Action. Each paid member shall be entitled to one (1) vote upon each matter brought on for a vote at all meetings of the Full Membership. A majority of the votes entitled to be cast on the matter by the member's Official Representatives or members represented by proxy shall be necessary for the adoption thereof unless a greater proportion is required by law, the Articles of Incorporation or these By-Laws.

ARTICLE V.

Board of Directors

Section 1. General Powers. The business and affairs of the corporation shall be managed by its' Board of Directors.

Section 2. Election, Number, Tenure and Qualifications. The election of Directors will take place at the Annual Meeting. The number of Directors shall be twelve (12), divided into three groups of four (4) Directors each, with terms of each group expiring in alternating years. At each Annual Meeting the successors to each group of Directors whose terms expire at such meeting, shall be elected to serve for terms of three (3) years. Directors must be paid members of the corporation and residents of the State of South Dakota. Nominations for the Board of Directors shall be made by a Nominating Committee thirty (30) days prior to the Annual Meeting or from the floor at the Annual Meeting.

Section 3. Board Organizational Meeting/Regular Meetings. The Organizational Meeting of the Board of Directors shall be held without other notice than this by-law at the same place and immediately following the Annual Meeting. Should this be impossible for any reason the Board will meet within 30 days of the Annual Meeting to conduct the following business: (a.) the election of Ex Officio Board members, (b.) the election of its officers, (c.) the setting by resolution of the time and place of its Regular Meetings and (d.) any other corporate business appropriate to its role.

Section 4. Regular Meetings of the Board. The Board of Directors shall hold a regular meeting at least once quarterly. Beyond that requirement, the frequency of these meetings is to be a decision of the Board. The Board may fix any place either within or without the City of Freeman for these meetings without other notice.

Section 5. Special Meetings. Special Meetings of the Board of Directors may be called by the President or at the request of two (2) seated Board Members. The person or persons authorized to call Special Meetings of the Board of Directors may fix any place, either within or without the City of Freeman. All other sections of Article V of these By-Laws shall apply to the conduct of such Special Meeting including quorum requirements and participation rights.

Section 6. Notice. Notice of any Special Meeting or re-scheduled Regular Meeting shall be given at least twenty-four (24) hours previously thereto by written notice delivered personally, by telephone, or by e-mail to a Board Member's e-mail address which has

been formally designated by that Member as acceptable for the delivery of such notices. Any Board Member may waive notice of any such meeting. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of any regular or special meeting of the Board of Directors need be specified in the Notice or Notice of Waiver of such meeting.

Section 7. Quorum. There is potential for having a Board with up to 20 voting members (12 elected at the Annual Meetings, 7 Ex Officio Board Members selected at the Board's annual Organizational Meeting, and the Mayor of Freeman). Whatever the total seated members of the Board is finally established, a quorum shall be defined as more than half (1/2) of the total membership. If such a majority does not exist at any meeting of the Board of Directors, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section 8. Ex Officio Board of Directors Members/City Mayor. The Board of Directors may appoint up to seven (7) persons from the membership as Ex Officio Board of Directors Members, who may attend/participate in Board Meetings, vote and exercise all of the rights and powers of regular Board Members. These members shall normally be appointed annually by the Board of Directors at their Organizational Meeting to serve a term to run from that Organizational Meeting to the next year's Board Organizational Meeting. Unfilled slots may be filled at a later Board of Directors meeting. The City of Freeman Mayor shall automatically become a member of the Board of Directors upon taking office and continue in this position until replaced by a new Mayor. The Mayor may attend and participate in all meeting and is entitled to vote as a member of the Board.

Section 9. Board Term of Service. All Board Members, whether elected or ex officio, shall serve until formally replaced by new Directors duly elected at the organization's Annual Meeting or selected by the Board for membership at its Annual Organizational meeting. Thus, while the FCDC fiscal year is January 1 – December 31, terms effectively run in parallel with the Board's Annual Organizational meetings.

Section 10. Manner of Acting. The Act of the majority of the Directors present at a Regular or Special Meeting of the Board at which a quorum is present shall be the Act of the Board of Directors.

Section 11. Participation by Electronic Means. The use of teleconference, videoconference or any other electronic means allowing direct interaction in the

meeting is specifically allowed. Board Members participating in this manner count for quorum and are entitled to participate in discussions, make motions and exercise any other rights/powers allowed normally to a member's Representative. Their votes on matters at the meeting are to be counted as if they were physically present.

Section 10. Proxies. At all meetings of the Board of Directors, a seated Board member may authorize another individual to serve in his/her place by delivering this proxy/authorization in writing or via e-mail to the Secretary before or at the time of the meeting. An individual so recognized shall enjoy all the rights and powers of the absent Board member for that meeting only and will be counted toward quorum requirements.

Section 11. Vacancies. Any vacancy occurring in the Board of Directors may be filled by an affirmative vote of the majority of the remaining Directors at any Regular or Special Meetings of the Board. Vacant positions shall not be considered for quorum counts. A Director elected to fill a vacancy shall be elected for the unexpired term of his/her predecessor in office.

Section 12. Presumption of Assent. A Director of the corporation, who is present at a meeting of the Board of Directors, at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his/her dissent shall be entered in the minutes of the meeting or unless he/she shall file a written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof, or shall forward such dissent by registered or certified mail to the Secretary of the corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

Section 13. Investment Policy. The investment policy of this corporation shall be determined by the Board of Directors for each investment of the corporation.

Section 14. Sale of Properties. When property of the corporation is to be sold at a sale price not already approved by the full Board or with conditions outside of those already accepted by the Board such sale/conditions shall be approved by a majority of the Directors present at a lawfully called Directors' meeting. If there are circumstances which require more immediate action by the Economic Development Committee or others on behalf of the corporation such action may only take place with the concurrence of the corporation's President and Secretary following the sharing of the impending action with the full Board via e-mail and giving 24 hours for any objections to be voiced. Objection by two or more of the members of the Board shall require the President to call an Emergency Meeting of the full Board within 48 hours to resolve the concern(s).

ARTICLE VI

Officers

Section 1. Number. The Officers of the corporation shall be a President, a Vice-President, a Secretary and a Treasurer, each of whom shall be elected by the Board of Directors. Such other officers or assistant officers as may be deemed necessary may be elected or appointed by the Board of Directors. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary.

Section 2. Election and Term of Office. The officers of the corporation shall be elected annually by the Board of Directors at its first meeting (Board Organizational Meeting) after the Annual Meeting of the corporation. If the election of officers does not take place at this meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until his/her successor shall be duly elected and shall have qualified, or until his/her death or until he/she shall resign or shall have been removed in the manner hereinafter provided.

Section 3. Qualifications. All Officers of the Board shall be drawn from the membership of the Board and, thus, shall be paid up members of the corporation.

Section 4. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

Section 5. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

Section 6. President. The President shall be the principal executive officer of the corporation and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the corporation. The President shall, when present, preside at all meetings of the Full Membership and the Board of Directors. He/She may sign, with the Secretary or any other officer of the corporation thereunto authorized by the Board of Directors, any deeds, mortgages, bonds, contracts or other instruments which the Board of Directors has authorized to be executed, except in cases where signing and execution thereof shall be expressly delegated by the Board of Directors or these By-Laws to some other officer or agent of the corporation, or shall be required by law to be otherwise signed or executed; and in general shall

perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 7. Vice-President. In the absence of the President or in the event of his/her death, inability or refusal to act shall perform the duties of the President, and when so acting, shall have all the powers of and shall be subject to all the restrictions upon the President. He/She will perform such duties as from time to time may be assigned to him/her by the President or by the Board of Directors.

Section 8. Secretary. The Secretary shall: (a) keep the Minutes of the Full Membership and Board of Directors meetings in one or more books provided for that purpose; (b.) see that all notices are given in accordance with the provisions of these By-Laws or as required by law; (c) be the custodian of the corporate records and the corporate seal and see that the seal of the corporation is affixed to all documents the execution of which on behalf of the corporation under its seal is duly authorized; (d) keep a register/computer list of the post office address and e-mail address, if available, which shall be furnished to the Secretary by each member; and (e) in general perform all duties incident to the Office of Secretary and such duties as may from time to time be assigned by the President or the Board of Directors.

Section 9. Treasurer. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his/her duties in such sum and with such surety or sureties as the Board of Directors may determine. The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for monies due and payable to the corporation from any source whatsoever, and deposit all such monies in the name of the corporation in such banks, trust companies and other depositories as shall be selected in accordance with the provision of Article IX of these By-Laws; (b.) manage and control the funds of the corporation in conformance the policies and procedures adopted by the Board of Directors, and (c.) in general perform all the duties as from time to time may be assigned to him/her by the President or the Board of Directors.

ARTICLE VII.

Committees

Section 1. Powers and Duties. The Board of Directors shall authorize and define the powers, duties and procedures of all committees.

Section 2. Appointment. The President shall appoint all committees, subject to the approval of the Board of Directors.

Section 3. Board Liaison. Each member of the Board of Directors may be appointed by the President to serve on one or more committees of the corporation as a liaison between the committee(s) and the Board.

Section 4. Executive Committee. An Executive Committee will be composed of the Officers of the corporation, the Immediate Past-President of the Board and the Chair of each Standing Committee of the corporation. This committee's powers, duties and procedures will be identified and authorized by the Board of Directors annually.

Section 5. Standing Committees. FCDC Standing Committees shall be Economic Development, Commerce, Tourism and Education. The Board may, at any duly called Board meeting, add/delete Standing Committees. If such change is made, membership on the Executive Committee will also change to reflect the addition or elimination of a Standing Committee. The Board may also, at any duly called Board meeting, modify such committees in any way it sees best serves the organization.

ARTICLE VIII.

Amendments

Section 1. Procedure. Amendments to these By-Laws may be adopted by a majority vote of all members present at the Annual Meeting or any other Full Membership Meeting, provided that such amendments be submitted to the Board of Directors for approval or disapproval.

Section 2. Adoption of By-Laws. These By-Laws shall take effect immediately upon adoption by the Board of Directors.

ARTICLE IX.

Contracts, Loans, Checks, and Deposits

Section 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name

of and on behalf of the corporation, and such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the corporation and no evidence of indebtedness shall be issued in its' name unless authorized by the Board of Directors. Such authority may be general or confined to specific instances.

Section 3. 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 corporation, shall be signed by such officer or officers, agent or agents, of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

Section 4. Deposits. All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

These By-Laws were amended and adopted at the Annual Meeting of the Full Membership of the Freeman Community Development Corporation held on February 3, 2020 at 7:00 pm at the Freeman Community Center in Freeman, South Dakota.

FREEMAN COMMUNITY DEVELOPMENT CORPORATION

By: Brad Gering
Brad Gering – President

And Janver Stucky
Janver Stucky – Secretary