BYLAWS OF COMMUNITY SERVICES FOUNDATION

A corporation governed by the Not-for-Profit Corporation Law of New York

ARTICLE I NAME

<u>Section 1. Name</u>. The name of the corporation is COMMUNITY SERVICES FOUNDATION (the "corporation"). The activities of the corporation may be conducted under the name IMPERIAL COURT OF BUFFALO, or any other name designated by the Board of Directors.

ARTICLE II MEMBERS

Section 1. Membership. The membership of the corporation shall consist of those persons who shall have an interest in the goals of the corporation, shall have demonstrated a commitment to the corporation by sustained participation in its activities and who have paid the membership dues prescribed for members by the Board of Directors. Nothwithstanding the foregoing, the Board of Directors reserves to itself the right to reject any candidate for membership based upon criteria reasonably established by the Board. Any individual twenty-one (21) years of age or older who resides in New York State or in counties of Pennsylvania not claimed by a recognized member of the International Court System (ICS) may apply for membership. Upon acceptance of an application for membership by the Board of Directors, the applicant shall become a member. **[07/09]**

<u>Section 2</u>. <u>Evidence of membership</u>. Membership in the corporation shall be evidenced by the inclusion of the member's name in a list of members to be maintained under the direction of the Secretary. In addition, the Board of Directors may authorize the President of the corporation to issue a certificate of membership to each member.

<u>Section 3</u>. <u>Membership Dues and Other Assessments</u>. Whenever the Board of Directors shall find it necessary or advisable for the support and maintenance of the corporation, the Board may require dues or other charges or assessments to be payable by the members as a condition to continuing membership.

<u>Section 4.</u> Removal. The Board of Directors shall have the sole and exclusive right to terminate the membership of any member. Membership may be terminated by a two-thirds vote of the entire Board of Directors for failure to meet the requirements of membership or for cause. For purposes of this section, "cause" shall be deemed to mean: a willful breach by the member of these Bylaws or the corporation's Protocol Manual; gross negligence or willful misconduct; dishonesty, or conviction of a crime that may bring disrepute upon the corporation and its other members.

ARTICLE III MEETINGS OF MEMBERS

<u>Section 1</u>. <u>Annual Meeting.</u> The annual meeting of the members of the corporation, for the election of Directors and Officers and for the transaction of such other business as may be set forth in the notice of meeting, shall be held each year in July at such time and at such place within or without the State of New York as the President or Vice President shall determine and the notice of the meeting shall specify.

<u>Section 2</u>. <u>Special Meeting</u>. Special meetings of the members may be called by the Board of Directors or by the President or Vice President, and shall be called by the President or Vice President at the request in writing

of a majority of the Directors of the corporation or at the request in writing of at least 10% of the members of the corporation. Such request shall state the purpose or purposes for which the meeting is to be called. Each special meeting of the members shall be held at such time and at such place within or without the Sate of New York as the Board of Directors or the person calling the meeting shall determine and the notice of the meeting shall apply.

<u>Section 3.</u> Notice of Meetings. Written notice of each meeting of the members shall be given, personally, by mail or by any other means including, but not limited to, telephone, telegraph, facsimile or internet e-mail, not less than ten (10) or more than fifty (50) days before the date of the meeting, to each member. Such notice shall be directed to the member or his or her address as it appears on the record of members. The notice shall state the place, date and hour of the meeting, the purpose or purposes for which the meeting is called and, unless it is the annual meeting, indicate that the notice is being issued by or at the direction of the person calling the meeting. The notice need not refer to the approval of minutes or to other matters normally incident to the conduct of the meeting. Except for such matters, the business which may be transacted at the meeting shall be confined to business which related to the purpose or purposes set forth in the notice.

Section 4. Wavier of Notice. Whenever under any provision of these by-laws, the certificate of corporation, the terms of any agreement or instrument, or law, the corporation, the Board of Directors or any committee thereof or the members are authorized to take any action after notice to any person or persons or after the lapse of a prescribed period of time, at any time before or after such action is completed, the person or persons entitled to such notice or entitled to participate in the action to be taken, or by his or her duly authorized attorney-in-fact, may submit a signed wavier of such notice or time requirements.

<u>Section 5</u>. <u>Quorum</u>. At each meeting of members for the transaction of any business, a quorum for the transaction of business shall consist of not less than one-tenth of the total number of votes entitled to be cast.

<u>Section 6</u>. <u>Procedure</u>. The order of business and all other matters of procedure at every meeting of members may be determined by the presiding officer.

Section 7. Voting. Each member in good standing shall be entitled at every meeting of members to one vote on all matters appropriate for consideration by the corporation's membership. Providing there are eight (8) or more eligible candidates to stand for election to the Board of Directors, then Directors and Officers elected at any meeting of the members shall, except as otherwise provided by law or the certificate of incorporation, be elected by a majority of the eligible votes cast; the number of persons elected shall not exceed seven (7). However, when there are seven (7) or fewer candidates for the Board of Directors, each candidate must receive a positive vote of two-thirds (2/3) of the eligible votes cast to be elected. All other corporate action to be taken by vote of the members shall, except as otherwise provided by law, the certificate of incorporation or these by-laws, be authorized by a majority of the votes cast. The vote for Directors or Officers, or upon any question before a meeting of the members, shall not be by ballot unless the presiding Officer at such meeting shall so direct or any members shall so demand.

Section 8. Reports. The Board of Directors shall present at each annual meeting a report verified by the President and Treasurer or by a majority of the Directors, showing in appropriate detail the following:

- (a) The assets and liabilities, including the funds, of the corporation as of the end of the twelve month fiscal period of the corporation terminating not more than six months prior to said meeting.
- (b) The principal changes in assets and liabilities, including trust funds, during said fiscal period.
- (c) The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes, during said fiscal period.
- (d) The expenses or disbursements of the corporation, for both general and restricted purposes, during said fiscal period.

(e) The number of members of the corporation as of the date of the report, together with a statement of increase or decrease in such number during said fiscal period, and a statement of the place where the names and places of residence of the current members may be found.

Such report shall be filed with the records of the corporation and a copy or an abstract thereof shall be entered in the minutes of the proceedings of the annual meeting at which the report is presented.

<u>Section 9.</u> <u>Written Consent of the Voting Members Without a Meeting.</u> Whenever by law members are required or permitted to take any action by vote, such action may be taken without a meeting on written consent, setting forth the action so taken, signed by all of the members. Written consent thus given by all of the members shall have the same effect as a unanimous vote of the members.

ARTICLE IV BOARD OF DIRECTORS

<u>Section 1</u>. <u>Management of Corporate Affairs</u>. Except as otherwise provided by law or the certificate of incorporation, the activities, property and affairs of the corporation shall be managed by the Board of Directors.

<u>Section 2</u>. <u>Number and Qualifications</u>. The Board of Directors shall consist of not less than three (3) nor more than nine (9) members, who shall be elected by the members at the annual meeting of the members. Each of the Directors shall be a member of the corporation. The Directors may increase or decrease the number of Directors of the corporation by a vote of the majority of the entire Board, but the number of Directors constituting the entire Board shall at no time be less than three (3). No decrease in the number of Directors shall shorten the term of any incumbent Director. All of the Directors shall be at least twenty-one (21) years of age.

<u>Section 3</u>. <u>Election and Term of Office</u>. Except as otherwise provided by law or these by-laws, each Director of the corporation shall be elected at an annual meeting of members or at any meeting of the members held in lieu of such annual meeting, and shall hold office until the next annual meeting of the members and until his or her successor has been elected and qualified. No member of the corporation shall be permitted to serve as a Director of the corporation for more than eight (8) consecutive annual terms. [05/10]

<u>Section 4.</u> <u>Honorary Directors.</u> The Board of Directors may elect honorary Directors for such periods and in such numbers as the Board may determine. Honorary Directors shall be given notice of all Board meetings but shall not be required to attend, shall not be counted for the purpose of a quorum, and shall not vote or have any liability with respect to any action taken by the Board of Directors.

<u>Section 5. Vacancies</u>. Newly created directorships resulting from an increase in the number of Directors and vacancies occurring in the Board of Directors for any reason may be filled by a vote of the majority of the Directors then in office, although less than a quorum exists, or any such newly created directorships and vacancies occurring in the Board of Directors for any reason may be filled by vote of the members, notice of which shall have referred to the proposed election. If any such newly created directorships or vacancies occurring in the Board of Directors for any reason shall not be filled prior to the next annual meeting of members, they shall be filled by vote of the members at the annual meeting. A Director elected to fill a vacancy, unless elected by the members, shall hold office until the next meeting of members at which the election of Directors is in the regular order of business, and until his or her successor has been elected and qualified.

<u>Section 6</u>. <u>Resignation</u>. Any Director of the corporation may resign at any time by giving his or her resignation to the President, the Vice President or the Secretary. Such resignation shall take effect at the time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 7. Removal. Any director may be removed with or without cause by the affirmative vote of the majority of the Board of Directors at any meeting of the Board, notice of which shall have referred to the proposed action. Unexcused absence from three (3) regular meetings in any 12-month period shall, without limitation, be cause for removal.

<u>Section 8</u>. <u>Contracts with Corporation</u>. No Directors shall be interested, directly or indirectly, in any contract relating to the corporation, nor in any contract for furnishing supplies thereto, unless authorized by the concurring vote of a majority of the entire Board not including the vote(s) of the interested Director(s) after full disclosure by such Directors in good faith of the material facts as to such interest or as otherwise provided by law.

<u>Section 9.</u> <u>Compensation.</u> No Director of the corporation shall receive, directly or indirectly, salary, compensation or emolument from the corporation, except reasonable compensation for services actually performed and reimbursement of expenses necessarily incurred in effecting one or more of the corporate purposes of the corporation.

<u>Section 10.</u> <u>Special Advisors.</u> From time to time, the Board of Directors may designate as special advisors a chosen number of outstanding persons from the community, who are interested in the objectives of the corporation to assist in the corporation in its operations. Selection as a special advisor shall not confer upon those selected any right to vote or to participate in the management of the corporation, nor any liability with respect thereto.

ARTICLE V MEETINGS OF DIRECTORS

<u>Section 1</u>. <u>Regular Meetings</u>. Regular meetings of the Board of Directors of the corporation, for the transaction of such business as may be set forth in the notice of the meeting, shall be held each month at such time and place as shall be determined by the Board of Directors and the notice of meeting shall specify.

<u>Section 2</u>. <u>Special Meetings</u>. Special meetings of the Board of Directors may be called at any time by the President, or in his or her absence or disability, the Vice President, and must be called by such officer on written request by a majority of the Directors. Such request shall state the purpose or purposes for which the meeting is to be called. Each special meeting of the Board of Directors shall be held at such time and place as the person calling the meeting shall determine and the notice of the meeting shall specify.

<u>Section 3</u>. <u>Annual Meeting</u>. The annual meeting of the Board of Directors shall be the regular meeting held during the month of August of each year, or such other regular meeting as the Board of Directors shall designate.

<u>Section 4</u>. <u>Notice of Meetings</u>. Notice of each regular or special meeting of the Board of Directors stating the time and place thereof shall be given by the President, the Vice President or the Secretary to each member of the Board not less than two (2) days before the meeting, by delivering the notice to each member of the Board personally, by telegraph, facsimile, e-mail or by telephone.

<u>Section 5</u>. <u>Quorum and Action by Board</u>. At all meetings of the Board of Directors, except as otherwise provided by law, the certificate of incorporation or these by-laws, a quorum shall be required for the transaction of business and shall consist of not less than a majority of the entire Board, and the vote of a majority of the Directors present shall decide any question that may come before the meeting. A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. Notice of any adjournment of a meeting of the Board to another time or place shall be given to the Directors who were not present at the time of the adjournment and, unless such time and place are announced at the meeting, to the other Directors.

<u>Section 6</u>. <u>Procedure</u>. The order of business and all other matters of procedure at every meeting of the Directors may be determined by the person presiding at the meeting.

<u>Section 7</u>. <u>Action Without a Meeting.</u> Any action required or permitted to be taken by the Board or any committee thereof may be taken without a meeting if all members of the Board or the committee consent in writing to the adoption of a resolution authorizing the action. The resolution and the written consents thereto by the members of the Board or committee shall be filed with the minutes of the proceedings of the Board or committee. The Board of Directors may at its decision vote on any matter not otherwise prohibited herein via electronic means without a physical meeting. A papertrail shall be kept as proof of vote.

<u>Section 8</u>. <u>Presence at the Meeting by Telephone</u>. Members of the Board of Directors or any committee thereof may participate in a meeting of such Board or committee by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation in a meeting by such means shall constitute presence in person at the meeting.

ARTICLE VI COMMITTEES OF DIRECTORS

<u>Section 1.</u> <u>Designation of Committees.</u> The Board of Directors, by resolution or resolutions adopted by unanimous consent of the entire Board, may designate from among its members an Executive Committee and other committees, each consisting of three or more Directors with one Director being designated as the committee chairperson, and may designate one or more Directors as alternate members of any such committee who may replace any absent member or members at any meeting of such committee. Each committee designated shall have such a name as may be provided from time to time in the resolution or resolutions of the Board of Directors, shall serve at the pleasure of the Board of Directors and shall have, to the extent provided in such resolution or resolutions, all the authority of the Board of Directors except as otherwise provided by law.

<u>Section 2</u>. <u>Acts and Proceedings</u>. All acts done and power and authority conferred by the Executive Committee from time to time within the scope of its authority shall be, and may be deemed to be, and may be specified as being, an act under the authority of the Board of Directors. The Executive Committee and each other committee shall keep regular minutes of its proceedings and report its actions to the Board of Directors when required.

<u>Section 3. Meetings of Committee.</u> Committees of Directors shall meet at such times and places as the chairpersons of the committees shall determine and the notice of the meeting shall specify. Meetings of committees of Directors shall be governed by the provisions of Sections 4, 5, 6, 7, and 8 of Article IV of these by-laws, which govern meetings of the entire Board of Directors.

<u>Section 4.</u> <u>College of Monarchs.</u> The corporation shall have as a Standing Committee a body designated as the College of Monarchs. The College of Monarchs shall be responsible for operating the corporation's fundraising program known as the Imperial Court and for establishing and maintaining a Protocol Manual for operation of the Imperial Court.

ARTICLE VII OFFICERS

<u>Section 1</u>. <u>Officers</u>. Except as otherwise provided by law or these by-laws, a President, Vice President, Secretary, and Treasurer, each of whom shall be chosen from among the Directors of the corporation, shall be elected at the annual meeting of members or at any meeting of the members held in lieu of such annual meeting, and shall hold office until the next annual meeting of members and until his or her successor has been elected and qualified. The members of the corporation may from time to time elect or appoint such additional officers as they may determine been elected and qualified. Such additional officers shall have such authority and perform such duties as the members of the corporation may form time to time prescribe. In the interim between meetings of the members, officers of the corporation shall be accountable to and shall act pursuant to the direction of the Board of Directors.

<u>Section 2</u>. <u>Term of Office</u>. The President, Vice President, the Secretary and the Treasurer shall hold office until the next annual meeting of the members and until their successors have been elected or appointed and qualified. Each additional officer appointed or elected by the members of the corporation shall hold office for such term as shall be determined from time to time by the members of the corporation and until his or her successor has been elected or appointed and qualified. Any officer, however, may be removed or have his or her authority suspended by the members of the corporation or the Board of Directors at any time, with our without cause.

<u>Section 3. Vacancies.</u> If the office of any officer becomes vacant for any reason, the Board of Directors shall have the power to fill such vacancy. If any vacancy occurring in an office of the corporation for any reason shall not be filled prior to the next annual meeting of members, it shall be filled by vote of the members at the annual meeting. An officer elected to fill a vacancy, unless elected by the members, shall hold office until the next meeting of members at which the election of officers is in the regular order of business, and until his or her successor has been elected and qualified.

<u>Section 4.</u> <u>Resignation.</u> Any officer may resign at any time by notifying the Board of Directors, the President or the Secretary of the corporation in writing. Such resignation shall take effect at the time specified therein and, unless otherwise specified in such resignation, the acceptance thereof shall not be necessary to make it effective.

<u>Section 5</u>. <u>Duties of Officers May Be Delegated</u>. In case of the absence or disability of an officer of the corporation, or for any other reason that the Board may deem sufficient, the Board, except where otherwise provided by law, may delegate, for the time being, the powers or duties of any officer to any other officer, or to any member of the Board.

<u>Section 6</u>. <u>The President</u>. The President shall be the chief executive and administrative officer of the corporation and shall have the general powers and duties of supervision and management of the corporation and shall perform all such other duties as usually pertain to the office or are properly required by the Board of Directors. The President shall preside at all meetings of the Board of Directors. The President, or someone whom they designate, shall be responsible to verify the monthly bank statements to the journals of the Treasurer on a monthly basis. The President shall keep an electronic back up of the journals until the final fiscal year journal has been received. The final fiscal year journal shall then become part of the President's permanent records.

<u>Section 7</u>. <u>The Vice President</u>. The Vice President shall, in the absence or at the request of the President, perform the duties and exercise the powers of the President. The Vice President shall also have the powers and perform such duties as usually pertain to the office or are properly required by the Board of Directors.

<u>Section 8</u>. <u>The Secretary</u>. The Secretary shall issue notices of all meetings of Directors and members where notices of such meetings are required by law or these by-laws. The Secretary shall attend meetings of the Board of Directors and keep minutes thereof. The Secretary shall affix the corporate seal to and sign such instruments as require the seal or the Secretary's signature and shall perform such other duties as usually pertain to the office or are properly required by the Board of Directors. In general, the Secretary shall be responsible to pick up mail from the official post box. Bank documents and other important documents shall be scanned and kept in an electronic format, and the documents shall be transferred to the appropriate officer. Bank statements shall be transferred to the President, or someone they have designated, for use in verifying the journals, before becoming part of the Treasurers' bookkeeping records. At fiscal year's end, a final copy of the Treasurer's verified journal and all tax documents shall be received. An electronic version shall then to be placed in the safety deposit box, along with an electronic copy of the general meeting and Board of Director's minutes. A copy shall be included as part of the permanent records of the Secretary.

<u>Section 9</u>. <u>The Treasurer</u>. The Treasurer shall have the care and custody of all the monies and securities of the corporation. The Treasurer shall cause to be entered in the books of the corporation to be kept for that purpose full and accurate accounts of all monies received and paid on account of the corporation. The Treasurer shall make and sign such reports, statements and instruments as may be required of him or her by

the Board of Directors or by the laws of the United States or of any state or country, and shall perform such other duties as usually pertain to the office or are properly required of the Treasurer by the Board of Directors. The Treasurer shall meet with the President, or someone they have designated, as needed to verify that the monthly bank statements and journals are in agreement. Any discrepancies must be noted, and reported to the Board of Directors at the next Board meeting. Electronic back up copies of the journals, and any other important documents, shall be sent to the President and the Secretary for safe keeping on a minimum quarterly basis. At the end of the fiscal year, a final copy of the journal and all tax documents shall be sent to the President and Secretary, as well as becoming part of the Treasurer's permanent records.

<u>Section 10</u>. <u>Officers Holding Two Offices</u>. Any two offices, except those of President and Secretary, may be held by the same person, but no officer shall hold more than two offices and no Officer shall execute or verify any instrument in more than one capacity if such instrument is required by law or otherwise to be executed or verified by two or more Officers.

<u>Section 11</u>. <u>Compensation</u>. No Officer of the corporation shall receive, directly or indirectly, salary compensation or emolument from the corporation, except reasonable compensation for services actually performed and reimbursement of expenses necessarily incurred in effecting one or more of the corporate purposes of the corporation.

ARTICLE VIII INDEMNIFICATION OF DIRECTORS AND OFFICERS

<u>Section 1</u>. <u>Right of Indemnification</u>. Each Director and Officer of the corporation, whether or not then in office, and any person whose testator or in testate was such a Director or Officer, shall be indemnified by the corporation for the defense of, or in connection with, any threatened, pending or completed actions or proceedings and appeals therein, whether civil, criminal, administrative or investigative, in accordance with and to the fullest extend permitted by the Not-for-Profit Corporation Law of the State of New York or other applicable law, as such law now exists or may hereafter be adopted or amended; provided, however, that the corporation shall provide indemnification in connection with an action or proceeding (0r part thereof) initiated by such a Director or Officer only if such action or proceeding (or part thereof) was authorized by the Board of Directors.

<u>Section 2</u>. <u>Advancement of Expenses</u>. Expenses incurred by a Director or Officer in connection with any action or proceeding as to which indemnification may be given under Section 1 of this Article VIII may be paid by the corporation in advance of the final disposition of such action or proceeding upon (a) the receipt of an undertaking by or on behalf of such Director to repay such advancement in case such Director or Officer is ultimately found not to be entitled to indemnification is authorized by this Article VIII and (b) approval by the Board of Directors acting by a quorum consisting of directors who are not parties to such action or proceeding or, if such a quorum is not obtainable, then approval by the members. To the extent permitted by law, the Board of Directors or, if applicable, the members, shall not be required to find that the Director or Officer has met the applicable standard of conduct provided by law for indemnification in connection with such action or proceeding before the corporation makes any advance payment of expense hereunder.

<u>Section 3.</u> <u>Availability and Interpretation.</u> To the extent permitted under applicable law, the rights of indemnification and to the advancement of expenses provided in this Article VIII (a) shall be available with respect to events occurring prior to the adoption of this Article VIII, (b) shall continue to exist after any recision or restrictive amendment of this Article VIII with respect to events occurring prior to such recision or amendment, (c) shall be interpreted on the basis of applicable law in effect at the time of the occurrence of the event or events giving rise to the action or proceeding or, at the sole discretion of the Director or Officer, (or if applicable, at the sole discretion of the testator or in testate of such director or officer seeking such rights), on the basis of applicable law in effect at the time such rights are claimed and (d) shall be in the nature of contract rights that may be enforced in any court of competent jurisdiction as if the corporation and the Director or Officer for whom such rights are sought were parties to a separate written agreement.

<u>Section 4.</u> <u>Other Rights.</u> The rights of indemnification and to the advancement of expenses provided in this Article VIII shall not be deemed exclusive of any other rights to which any Director or Officer of the corporation or other person may now or hereafter be otherwise entitled, whether contained in the certificate of incorporation, these by-laws, a resolution of the members, a resolution of the Board of Directors or an agreement providing for such indemnification, the creation of such other rights being hereby expressly authorized. Without limiting the generality of the foregoing, the rights of indemnification and to the advancement of expenses provided in this Article VIII shall not be deemed exclusive of any rights, pursuant to statute or otherwise, of any Director or Officer of the corporation or other person in any action or proceeding to have assessed or allowed in his or her favor, against the corporation or otherwise, his or her costs and expenses incurred therein or in connection therewith or any part thereof.

<u>Section 5</u>. <u>Servability</u>. If this Article VIII or any part hereof shall be held unenforceable in any respect by a court of competent jurisdiction, it shall be deemed modified to the minimum extent necessary to make it enforceable, and the remainder of this Article VIII shall remain fully enforceable. Any payment made pursuant to this Article VIII shall be made only out of funds legally available therefore.

ARTICLE IX CORPORATE FINANCE

<u>Section 1</u>. <u>Corporate Finance</u>. The funds of the corporation shall be deposited in its name with such banks, trust companies or other depositories as the Board of Directors may from time to time designate. All checks, notes, drafts and other negotiable instruments of the corporation shall be signed by such Officer or Officers, agent or agents, employee or employees as the Board of Directors from time to time may designate. No Officers, agents or employees of the corporation, alone or with others, shall have the power to make any checks, notes, drafts or other negotiable instruments in the name of the corporation or to bind the corporation thereby, except as provided in this section.

<u>Section 2</u>. <u>Fiscal Year</u>. The fiscal year of the corporation shall be June 1 to May 31 unless otherwise provided by the Board of Directors.

<u>Section 3</u>. <u>Loans to Director or Officers</u>. No loans shall be made by the corporation to its Directors or Officers.

<u>Section 4.</u> <u>Gifts.</u> The Board of Directors, the Executive Committee or any authorized Officer, employee or agent of the corporation may accept on behalf of the corporation any contribution, gift, bequest or devise for any general or special purpose or purposes of the corporation.

<u>Section 5</u>. <u>Voting of Securities Held by the Corporation</u>. Stocks or other securities owned by the corporation may be voted in person or by proxy as the Board of Directors or the Executive Committee shall specify. In the absence of any direction by the Board of Directors or Executive Committee, such stocks or securities shall be voted by the President, as he or she shall determine.

<u>Section 6</u>. <u>Income from Corporation Activities</u>. All income from activities of the corporation shall be applied to the maintenance, expansion or operation of the lawful activities of the corporation.

<u>Section 7.</u> <u>Budget Procedure.</u> At each annual meeting of the Board of Director, the Director shall consider and adopt a prospective budget that reflects the anticipated income and expenses of the corporation for the next twelve (12) month period. Such budget shall also reflect the restrictions on spending authority to which the Officers of the corporation shall be subject. No Officer of the corporation shall have the right without the prior written consent of the Board of Directors to exceed that Officer's spending authority or to expend the funds of the corporation by an amount in excess of the amount budgeted for such category of expense.

<u>Section 8. Funds Retained.</u> Each Reign, beginning with Reign 14, shall transfer \$1,000 to a reserve account currently known as a money market savings account. The transfer of funds to the reserve account shall occur

before the final disbursement of funds to charitable organizations. The Treasurer of the Board of Directors shall have responsibility to oversee the transmission of funds and maintenance of such account(s).

Article X NON-DISCRIMINATION

Section 1. Non-discrimination policy.

The Community Services Foundation, d.b.a. the Imperial Court of Buffalo does not discriminate on the basis of race, color, creed, gender or gender identity, religion, age, sex (including pregnancy), sexual orientation or associated preference, national or ethnic origin, disability or handicap, marital status or veteran status in any program, event or activity administered by the organization, participation by volunteers, or with regard to membership admission. Sexual harassment is sex discrimination and shall not be tolerated. The organization shall not condone any form of discrimination and allegations of discrimination leading to a conviction shall be cause for termination of membership in the organization.

ARTICLE XI CORPORATE SEAL

<u>Section 1</u>. <u>Form of Seal</u>. The seal of the corporation shall be in such form as may be determined from time to time by the Board of Directors.

ARTICLE XII AMENDMENTS

<u>Section 1. Procedure for Amending By-laws.</u> By-Laws of the corporation may be adopted, amended or repealed (i) at any annual meeting of the members of the corporation (but not at any other regularly scheduled meeting or special meeting of the members), notice of which shall have included specification of the proposed action, by the vote of two-thirds of the members of the corporation, or (ii) at any meeting of the Board of Directors, notice of which shall have included specification of the proposed action, by the vote of two-thirds of the entire Board of Directors; provided, however, that if any by-law regulating an impending election of Directors is adopted, amended or repealed by the Board of Directors, there shall be set forth in the notice of the next meeting of members for the election of Directors the by-law, adopted, amended or repealed, together with a concise statement of the changes made.