

**BYLAWS
OF
UNITED WAY OF METROPOLITAN CHICAGO, INC.
(Incorporated Not-for-Profit)**

ARTICLE I

Purposes

The purposes of the Corporation are as stated in its certificate of incorporation.

The Corporation also has such powers as are now or may hereafter be granted by the General Not-For-Profit Corporation Act of the State of Illinois.

ARTICLE II

Offices

The Corporation shall have and continuously maintain in this state a registered office and a registered agent whose office is identical with such registered office and may have other offices within or without the State of Illinois as the Board of Directors (hereinafter "Board") may determine.

ARTICLE III

Members

Section 3-1 Members

The members consist of (a) those entities that are members of United Way of Metropolitan Chicago, Inc. and are annually certified by United Way of America ("Member United Ways"); and (b) the Chicago Committee, which shall be composed of such persons as are designated on or before December 31, 2003, by the Board of Directors of United Way in Chicago (UWC). The manner of selecting the successors to the original members of the Chicago Committee and other matters relating to the organization and governance of such Committee will be as determined by UWC prior to January 1, 2004.

Section 3-2 Election of Members

New members may be elected by the Board, subject to the approval of members casting a majority of the votes voted at a meeting of members.

Section 3-3 Voting Rights

On any matter submitted to a vote of members, the Chicago Committee will be entitled to 45 votes. Each of the other members will be entitled to a fractional vote whose nominator is 55 and whose denominator is the total number of such other members at the time of the vote. Each member shall designate a person to represent such member at any meeting of the members and to cast the vote of such member at any meeting of the members and all actions hereinafter provided to be taken by members shall be taken by such designated representatives. Each member may also designate an alternate to act in the absence of such designated representative. Such designations and any changes thereto shall be made in writing and filed at the principal office of the Corporation at least five days prior to the meeting. The designated person shall continue to act until the receipt by the Corporation of a change in such designation.

Any member may designate a representative to represent such member at any specific meeting of the members by delivering to the Secretary prior to or at such meeting a written designation stating the name of such representative or any changes thereof.

Section 3-4 Termination of Membership

The members, by the affirmative vote of a majority of the Board and approved by the affirmative vote of members casting a majority of the votes at a meeting, a quorum being present, may suspend or expel a member for cause after an appropriate hearing. Such suspension or expulsion shall be according to policies and procedures adopted by the Board. Any member, other than the Chicago Committee, whose certification by United Way of America expires and/or is not renewed shall thereupon cease to be a member of the Corporation.

Section 3-5 Resignation

Any member may resign by filing a written resignation with the Secretary, but such resignation shall not relieve the member of the obligation to pay any liabilities accrued and unpaid. Such resignations shall be according to policies and procedures as adopted by the Board, but no such policies and procedures shall adversely affect the right of the resigning member to retain its assets, net of any liabilities, or impair its ability to continue as an independent organization serving its community.

Section 3-6 Transfer of Membership

Membership in the Corporation is not transferable or assignable.

ARTICLE IV

Meetings of Members

Section 4-1 Annual Meeting

The annual meeting of the members shall be held on the first Thursday of June unless by resolution of the Board of Directors, another date is chosen, for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. If the election of Directors shall not be held on the day designated herein for any annual meeting, or any adjournment thereof, the Board shall cause the election to be held at a special meeting of the members called as ,soon thereafter as possible.

Section 4-2 Special Meetings

Special meetings of the members may be called either by the Chair or the Board, and shall be called by the Secretary upon the written request of not less than a majority of the members in voting power.

Section 4-3 Place and Notice of Meeting

Written or printed notice stating the place, day and hour of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than five nor more than sixty days before the date of the meeting unless otherwise provided by law.

Section 4-4 Quorum

Members representing a majority of the voting power of the membership shall be a quorum for the transaction of business. If a quorum is not present at a meeting of the members, the representatives of members holding a majority of the votes represented at the meeting may adjourn the meeting and the Secretary shall give notice to the absent members of the time and place of the adjourned meeting.

Section 4-5 Proxies

No member or designated representative shall have any right to vote by proxy.

ARTICLE V

Board of Directors

Section 5-1 General Powers The affairs of the Corporation shall be managed by its Board or under the Board's direction.

Section 5-2 Number, Tenure and Qualifications

A. The number of Directors of the Corporation shall be thirty-one (including the chairman and the president). The directors shall be divided into three classes of ten each, each class having staggered terms of one to three years or until their respective successors are elected. At all times, at least four members of the Board must have Member United Way oriented experience or Member Advisory Committee experience.

B. Prior to the first and each succeeding annual meeting of members, the Board of Directors shall appoint a nominating committee of nine members, of whom two will be persons who have Member United Way oriented experience or Member Advisory Committee experience. The nominating committee, prior to each annual meeting, will propose ten nominees for terms of three years each or until their successors are elected. The nominating committee will in each year invite suggestions for nominees from the members, as well as from the various standing and advisory committees of the Corporation. Each year the nominating committee will nominate, as necessary, at least one nominee who has Member United Way oriented experience or Member Advisory Committee experience; maintaining a total of four at all times. In addition, the nominating committee in all years will take account of the need for representation on the Board of leading volunteers in the United Way system for metropolitan Chicago. In addition, the nominating committee shall oversee issues of corporate governance.

C. If the Board of Directors approves the slate of nominees as presented to it by the nominating committee, the slate will be voted on by members at their annual meeting. Each member, having the voting power described above, will vote Yes or No on the election of the slate. The slate will be elected if a majority of the votes cast are Yes votes.

D. Except for the President, who shall at all times be a director, no person who is a paid employee of the Corporation or any of its members, or of any agency receiving funds from any of the above organizations may be a Director of the Corporation.

E. Except for the President, no Director shall be eligible for election to the Board after having served three (3) full consecutive terms of three (3) years each, except that if the term of office of the Chair shall extend beyond such time, the Chair, during his or her term of office, automatically shall be a Director-at-large for an additional term of not to exceed three (3) years.

Section 5-3 Regular Meetings

The annual meeting of the Board shall be held within sixty (60) days prior to the annual Meeting of members. The Board shall also provide by resolution the time and place for the holding of at least three additional regular meetings of the Board before the next annual meeting. The Board shall review current financial statements at each regular meeting.

Section 5-4 Special Meetings

Special meetings of the Board may be called by the Chair or upon the written request of any ten Directors.

Section 5-5 Notice of Meetings

Notice of any meeting shall be delivered by or at the direction of the Secretary to each Director addressed to an address as shown on the records of the Corporation, at least three days before the day on which the meeting is to be held.

Notice may be waived by a Director, either before or after the meeting. Attendance at any meeting except for the express purpose of objecting to the transaction of business at the meeting because it is unlawfully called or convened, shall constitute a waiver of required notice. Neither the business to be transacted at, nor the purpose of, any meeting of the Board need be specified in the notice or waiver of notice of such meeting.

Section 5-6 Quorum

A majority of the persons constituting the Board shall be a quorum for the transaction of business; provided, however, that if less than a majority of the Directors is present, a majority of the Directors present may adjourn the meeting and the Secretary shall give notice to the absent Directors of the time and place of the adjourned session of the meeting. The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board, except where otherwise provided by law or by these bylaws. No voting by proxy shall be allowed.

Section 5-7 Telephonic Voting

Any one or more members of the Board 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. Such participation may occur if: (a) the Chair of the Board or of the particular committee notifies the Board or committee members at least three days in advance electronically or in writing that the meeting will be conducted by telephonic means, or (b) the Chair of the Board or of the particular committee receives a request for participation by telephonic means from any Board or committee member who otherwise would be absent. In either instance of (a) or (b) above, the participation shall be subject to the sole discretion of the Chair of the Board or of the particular committee. Participation by such means shall constitute presence in person at the meeting.

Section 5-8 Resignations

Any Director may resign at any time by giving a written notice to the Chair or Secretary of the Corporation. Three consecutive unexcused absences from meetings of the Board shall constitute a resignation from the Board. Five consecutive absences from meetings of the Board, whether excused or unexcused shall constitute a resignation from the Board.

Section 5-9 Vacancies

Any vacancy occurring in the Board shall be filled by the Board until the next annual meeting of the members, at which time the members, in accordance with the nominating process prescribed in these bylaws, shall elect a Director to fill such vacancy for the unexpired term.

ARTICLE VI

Officers

Section 6-1 Officers

The officers of the corporation shall be a Chairperson, two (2) or more Vice Chairpersons, a President and Chief Executive Officer, one or more Vice Presidents, a Treasurer, a Secretary, and such other officers as may be elected in accordance with the provisions of this Article. Of the named officers, only the President and Chief Executive Officer and the Vice Presidents shall be compensated, and such compensation shall be reasonable, and the remaining named officers shall be volunteers. Any two or more offices may be held by the same person except that the Chairperson and the President and Chief Executive Officer may hold no other office. The compensation of the President and Vice Presidents shall be established by the Board. The President may not vote on his/her compensation.

Section 6-2 Election and Terms of Office

The officers of the corporation, except as otherwise provided by this Article, shall be elected annually by the Board of Directors at the regular Annual Meeting of the Board of Directors. Each officer shall hold office until his or her successor shall have been duly elected and shall have qualified.

Section 6-3 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 6-4 Chairperson

The Chairperson shall have general oversight of the affairs of the corporation; shall preside at all meetings of the Board of Directors; and shall be an ex officio member of all committees.

Section 6-5 Vice Chairperson

In the absence of the Chairperson or in the event of his or her inability or refusal to act, a Vice Chairperson (in designated order as determined by the Board) shall perform the duties of the Chairperson. When so acting, a Vice Chairperson shall have all the powers of, and be

subject to, the restrictions upon the Chairperson. The Vice Chairpersons shall perform such other duties as may be assigned to them from time to time by the Board of Directors.

Section 6-6 President and Chief Executive Officer

The President and Chief Executive Officer shall serve as the chief executive officer of the corporation and shall manage the business and affairs of the corporation subject to the policies and direction of the Board and the Chairperson of the Board and shall have all powers and perform all duties incident to the office of the Chief Executive Officer. The President and Chief Executive Officer shall be elected by, and serve at the pleasure of, the Board and shall be accountable to the Board and the Chairperson of the Board.

Section 6-7 Vice Presidents

The Board shall elect one or more Vice Presidents. In the absence of the President and Chief Executive Officer, or in the event of his or her inability or refusal to act, the Vice Presidents, in an order designated or approved by the Chairperson of the Board, shall perform the duties of the President and Chief Executive Officer. One Vice President, who will be designated by the President and Chief Executive Officer, will be primarily responsible for Council activities.

Section 6-8 Secretary

Minutes of the meeting of the Board of Directors of the corporation shall be kept by or under the supervision of the Secretary. The Secretary shall also perform such other duties as may be prescribed from time to time by the Board of Directors.

Section 6-9 Treasurer

Duties of the Chief Financial Officer of this corporation shall be performed by or under the supervision of the Treasurer. The Treasurer shall also perform such other duties as may be prescribed from time to time by the Board of Directors.

ARTICLE VII

Chicago Council

Section 7-1 Creation of Council

The Chicago Council of UWC shall continue in operation as the Chicago Council ("Council") of the Corporation. The Council shall oversee allocation and other programs benefiting human service agencies serving residents of Chicago. Subsequent appointees to the Council shall be selected by the Board so as to maintain the diversity required to adequately represent Chicago interests.

Section 7-2 Responsibilities

It shall be the responsibility of the Council to:

- A. Make recommendations as to the ultimate size of the Council and new and/or replacement Council members.
- B. Determine the time, place, notice and quorum requirements and all other procedures for both regular and special Council meetings and for any other areas of responsibility designated to the Council.
- C. Serve as the committee in which all Chicago Agency requests are reviewed and allocation recommendations are made.
- D. Serve as the committee in which all applications for Chicago member agency status are reviewed and through which membership recommendations to the Board are made.
- E. Serve as the oversight committee for all Chicago funded agencies to insure compliance with United Way policies and guidelines and to make recommendations to the Board regarding the sanctioning and/or removal of member agencies serving Chicago. The Board shall not act on any matter related to Chicago agency oversight without having first sought a recommendation thereon from the Council.
- F. Prepare in cooperation with the Finance Committee, an annual operating plan for the Council.
- G. Conduct such other activities as may be assigned to the Council by the Board.

The Board has ultimate responsibility for all matters related to the Council and its areas of designated responsibility, and the Board may request the Council to prepare a specific recommendation on any issue related to the Council's areas of designated responsibility.

Section 7-3 Board Approvals

All recommendations, operations and actions of the Council shall be subject to the direction and approval of the Board of Directors. Council allocation recommendations shall be considered by the Board at the first meeting, whether regular or special, to occur after referral of such recommendations. A Council allocation recommendation shall be effective and become operational according to its terms, except to the extent, if any, altered or amended by the Board of Directors, as of the adjournment of the Board meeting at which the recommendation is approved by the Board.

ARTICLE VIII

Committees

Section 8-1 Executive Committee

The Executive Committee shall consist of not less than five (5) members. The Chairperson and such other Directors as approved by the Board of Directors shall be members of the Executive Committee. All members of the Executive Committee must be members of the Board of Directors. The Executive Committee shall meet between Board meetings, and at

such Committee meetings the Committee shall exercise the powers of the Board of Directors in dealing with activities of the corporation, to the extent permitted by law. The Executive Committee shall review compensation policy and personnel issues. In addition, the Executive Committee shall oversee the adoption, communication, and enforcement of appropriate standards of ethical conduct on the part of its directors, officers, employees, and affiliates in connection with their involvement in the activities of the Corporation and the metropolitan United Way system. All such actions by the Executive Committee must be reported to the Board of Directors at the next meeting of the Board following such Executive Committee action. A quorum shall be a majority of the Committee's membership.

Section 8-2 Standing Committees

There shall be the following Standing Committees, each of which, except as otherwise set forth herein, shall be chaired by a member of the Board of Directors and appointed by the Board of Directors at the Annual Meeting thereof to serve for a period of one (1) year or until their successors are appointed. All Standing Committees shall report to the Board of Directors.

- A. A Nominating Committee having the membership and duties prescribed in Section 5-2 B of these bylaws.
- B. A Finance Committee which shall be responsible for (1) recommending banking, investment or other financial services policies, (2) monitoring the adequacy of contributions to, and the investment performance of employee pension benefit plans maintained by the corporation,(3) reviewing major capital projects, (4) preparation of the budget for the corporation annually: and (5) assuring that financial statements are delivered to the Board each quarter.
- C. An Audit Committee which shall be responsible for meeting at least annually with the corporation's independent auditors to determine whether the corporation is maintaining an effective system of accounting, financial controls and reporting, and to report its findings and recommendations to the Board of Directors. The audit committee shall monitor risk management policies, and oversee the annual independent audit and the filing of the IRS Form 990.
- D. A Member Advisory Committee, comprised of one representative from each Member United Way designated by each Member United Way and such other representatives as designated by the Nominating Committee of the Board, may from time to time render advice, in respect to the Member United Ways, to the Board and to the Member United Ways as to revisions in the distribution formula, allocation of funds, assessment and prioritization of needs, rationalization of operations, agency services, branding and marketing, budget, campaign, human resources, and member services. This committee is also encouraged to make suggestions to the Nominating Committee each year as to candidates for the Board.

The Board may also appoint one or more additional committees, consisting of two or more directors, with such duties and responsibilities as the Board shall determine. Committee members need not be Board or Council members, except as provided above.

ARTICLE IX

Member United Ways

Section 9-1 Distribution

Campaign funds shall be distributed to the Member United Ways according to the distribution formula as in effect at the time of the distribution. Nothing in the consolidation, which became effective January 1, 2004, is intended to change that policy as in effect as of June 17, 2003, under the boards of the predecessors to the Corporation. Member United Ways shall participate in the process of allocating the suburban distribution of funds. As in the case of the Chicago Council, the Board of Directors shall have final responsibility in such process.

Section 9-2 Allocations

Each Member United Way shall be entitled to allocate:

- A. At least as much as it raises in its annual residential, local enterprise, and local institution campaigns, plus its portion of corporate and workplace campaign funds that are raised by UWMC and are allocated to Member United Ways in accordance with the distribution policy established by the Board.
- B. Any additional funds it might be allocated from the suburban distribution according to the distribution formula.
- C. Any additional designated gifts it might receive.

Each Member United Way shall be entitled to determine local funding amounts and local agencies and programs to fund, according to local needs as well as agency and program standards set by Board policy. Participation in any regional impact funding initiative shall be at the discretion of the Member United Way.

ARTICLE X

Contracts, Loans, Checks and Deposits

Section 10-1 Contracts

The Board by resolution 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 10-2 Loans

No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board. Such authority may be general or confined to specific instances.

Section 10-3 Checks, Drafts, Etc.

All checks, drafts or other offers for the payment of money, notes or other evidences 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 be determined by resolution of the Board.

Section 10-4 Deposits

All funds of the Corporation not otherwise designated shall be deposited to the credit of the Corporation in such banks, trust companies or other depositories as the Board may approve by resolution.

ARTICLE XI

Compensation, Conflicts of Interest and Code of Ethics

Except as may be specifically provided by resolution of the Board or as otherwise provided in these bylaws, no Director or Officer, directly or indirectly, shall receive any salary, fee, payment, honorarium or other compensation or thing of value of any kind from the Corporation or other party as a result of such Director's or Officer's position or affiliation with the Corporation. However, they may be reimbursed for expenses reasonably incurred on behalf of the Corporation.

Each Director and Officer shall annually disclose to the Corporation in writing any personal interest which such Director or Officer may have in any matter pending before the Board or the Executive Committee or in which the Corporation may have an interest and shall refrain from participating in any decision in such matter.

ARTICLE XII

Indemnification of Directors, Officers, Employees and Agents

Section 12-1

The corporation 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 corporation) by reason of the fact that he or she is or was a director, officer, employee or agent of the corporation, or who is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including reasonable attorneys' fees and costs), judgment, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with such action, suit or proceeding, if he or she acted in good faith and in a manner the person reasonably believed to be in, or not opposed to the best interests of the corporation, and with respect to any criminal action or proceeding, had no reasonable cause

to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, 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 in which he or she reasonably believed to be in or not opposed to the best interests of the corporation, or, with respect to any criminal action or proceeding, that the person had reasonable cause to believe that his or her conduct was unlawful.

Section 12-2

The corporation 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 corporation to procure a judgment in its favor by reason of the fact that he or she is or was a director, officer, employee, or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including reasonable attorneys' fees and costs) actually and reasonably incurred by the person in connection with the defense or settlement of such action or suit, if the person acted in good faith and in the manner he or she reasonably believed to be in, or not opposed to the best interests of the corporation, and except that no indemnification shall be made in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the corporation, unless, and only to the extent that, the court in which such action or suit was brought shall determined upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expense as the court shall deem proper.

Section 12-3

To the extent that a director, officer, employee or agent of the corporation has been successful, on the merits or otherwise, in the defense of any action, suit or proceeding, referred to in Section I or Section 2 of this Article XII or in defense of any claim, issue or matter herein, that person shall be indemnified against expenses (including reasonable attorneys' fees and costs) actually and reasonably incurred by him or her in connection therewith.

Section 12-4

Any indemnification under Section I or Section 2 of this Article XII (unless ordered by a court shall be made by the corporation only as authorized in the specific case, upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he or she has met the applicable standard of conduct set forth in Section I or Section 2 of this Article XII. Such determination shall be made (i) by the Board of Directors by a majority vote of a quorum consisting of voting directors who were not parties to such action, suit or proceeding, or (ii) if such a quorum is not obtainable, or even if obtainable, if a quorum of disinterested directors so directs by independent legal counsel in a written opinion.

Section 12-5

Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the corporation in advance of the final disposition of such 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 agent to repay such amount, unless it shall ultimately be determined that the person is entitled to be indemnified as authorized in this Article XII.

Section 12-6

The indemnification provided by this Article XII shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any agreement, vote of disinterested voting directors, 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 director, officer, employee or agent, and shall inure to the benefit of the heirs, executors and administrators of such a person.

Section 12-7

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

ARTICLE XIII

Fiscal Year

The fiscal year of the Corporation shall end on June 30.

ARTICLE XIV

Amendment to Bylaws

These bylaws may be altered, amended or repealed and new bylaws may be adopted by the Board by the vote of a majority of those voting at the meeting, subject to approval by members representing a majority of the votes cast at their meeting. At least fifteen days written notice of such meeting shall set forth or be accompanied by, the proposed alteration, amendment, or new bylaws, as the case may be.