

EFFECTIVE JULY 1, 2016

**BYLAWS
OF
ROCKFORD FIRE FIGHTERS RELIEF ASSOCIATION INCORPORATED
an Illinois not for profit Corporation**

PREAMBLE

A. **PURPOSES.** The corporation is organized exclusively for charitable and educational purposes within the meaning of Section 501(c)(9) of the Internal Revenue Code of 1986, or the corresponding provisions of any successor federal revenue law (the Code) and applicable regulations promulgated thereunder, including for such purposes, to make distributions to organizations that qualify as exempt organizations under Section 501(c)(9) of the Code and to which contributions are deductible under Section 170(c)(2) of the Code.

B. **PROHIBITION AGAINST PRIVATE INUREMENT.** No part of the net earning of the corporation shall inure to the benefit of or be distributable to its Directors, officers or any other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth above.

C. **OTHER PROHIBITED ACTIVITIES** The corporation shall not carry on propaganda, or otherwise attempt to influence legislation; and the corporation shall not participate in or intervene in (including the publishing or distributing of statements) any political campaign on behalf of any candidate for public office. The corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(9) of the Code or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Code.

D. **DISSOLUTION.** Upon the dissolution of the corporation, the Board of Directors shall, after paying or making provision for the payment of all of the liabilities of the corporation, dispose of all of the assets of the corporation exclusively for the purposes of the corporation in such manner, or to such organization or organizations that qualify as exempt organizations under Section 501(c)(9) of the Code and to which contributions are deductible under Section 170(c)(2) of the Code as the Board of Directors shall determine. Any such assets not so disposed of shall be disposed of by the Court of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

E. **PRIVATE FOUNDATION.** In the event the corporation is or becomes a private foundation under Section 509 of the code, the following shall apply:

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- (i) The corporation shall distribute its income for each taxable year at such time and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Code.
- (ii) The corporation shall not engage in any act of self-dealing as defined in Section 4941(d) of the Code.
- (iii) The corporation shall not retain any excess business holdings as defined in Section 4943(c) of the Code.
- (iv) The corporation shall not make any investment in such manner as to subject it to tax under Section 4944 of the Code.
- (v) The corporation shall not make any taxable expenditure as defined in Section 4945(d) of the Code.

ARTICLE I CORPORATION

SECTION 1. NAME. The name of this Corporation shall be the ROCKFORD FIRE FIGHTERS RELIEF ASSOCIATION, INCORPORATED.

SECTION 2. OFFICE. The principal office of the Corporation shall be in City of Rockford, Winnebago County, Illinois, or such other places as the Board of Directors may, from time to time, appoint or the purposes of the Corporation may require.

SECTION 3. OBJECT. The object of this Corporation shall be to provide health, death, educational and legal benefits, as allowed by IRS under 501(c)(9) (VEBA) codes for members of said corporation.

SECTION 4. CONSTRUCTION. As used throughout these Bylaws, words of the masculine gender have been employed merely for clerical convenience and shall be deemed to include the feminine gender as well.

ARTICLE II PURPOSE

SECTION 1. PURPOSES. **DELETED**

SECTION 2. PROHIBITION AGAINST PRIVATE INUREMENT. **DELETED**

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SECTION 3. OTHER PROHIBITED ACTIVITIES. **DELETED**

SECTION 4. DISSOLUTION. **DELETED**

SECTION 5. PRIVATE FOUNDATION. **DELETED**

SECTION 6. RECEIPT OF PROPERTY. **DELETED**

**ARTICLE III
MEMBERSHIP**

SECTION 1. LIMITATION. Membership in this Corporation shall be limited to regularly appointed fire fighters, retired fire fighters, and all other fire department employees who are governed by the Board of Police and Fire Commissioners.

SECTION 2. REQUIREMENTS. No person shall be accepted to membership in this Corporation unless he is a Member of the Rockford Fire Department as defined in Article III, Section 1. All persons seeking Membership shall apply for such Membership, be of good moral character, be of sound bodily health and shall be mentally and physically fit. An applicant's moral character, bodily health, and his mental and/or physical fitness shall be determined according to the standards of the Rockford Fire Department as of the date of his hire. An applicant shall present with his application a certificate of physical fitness from a Corporation approved physician. If an applicant makes application within sixty (60) days after entering the fire service, the medical examination(s) used to determine physical fitness by the Rockford Fire Department at the time of entry will be accepted by the Corporation.

SECTION 3. APPLICATION. All applicants for Membership in this Corporation shall present application, accompanied by the certificate required in Section 2, and said application shall be submitted to the Directors ten (10) days before the next regular meeting of the Directors, and shall be admitted to Membership upon the vote of said Directors.

SECTION 4. MEMBERSHIP CLASSES. Members shall be divided into classes based upon their employment status. Active Members shall be all regularly appointed fire fighters and all other fire department employees who are governed by the Board of Police and Fire Commissioners. Inactive Members shall be all retired fire fighters and all other retired fire department employees who were governed by the Board of Police and Fire Commissioners.

SEC 4. B. A regularly retired employee pursuant to Section 1 and 2 of Article 4 will be qualified for membership under Article V Section 1. (Expires 9/30/98).

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**ARTICLE IV
MEETING OF MEMBERS**

SECTION 1. SEMI-ANNUAL MEETING. A semi-annual meeting of the Members shall be held on the third week of June and December for the purpose of electing Directors and for the transaction of such business as may come before the meeting. The president shall determine the place, date and hour.

SECTION 2. SPECIAL MEETING. Special meetings of the Members may be called either by the president or the Board of Directors, or not less than 1/20 of the Members having voting rights, for the purpose or purposes stated in the call of the meeting.

SECTION 3. PLACE OF MEETING. The Board of Directors may designate any place as the place of meeting for any semi-annual meeting or for any special meeting called by the Board of Directors. If no designation is made or if a special meeting is otherwise called, the place of meeting shall be the registered office of the Corporation in the State of Illinois.

SECTION 4. NOTICE OF MEETINGS. Written notice stating the place, date, and hour of any meeting of Members shall be given to each Member entitled to vote at such meeting not less than 5 nor more than 60 days before the date of such meeting, or, in the case of a removal of one or more directors, a merger, consolidation, or dissolution, or a sale, lease, or exchange of assets, not less than 20 nor more than 60 days before the date of the meeting. In case of a special meeting or when required by statute or by these bylaws, the purpose for which the meeting is called shall be stated in the notice. Any notice under this Section 4 shall be deemed given if conspicuously posted in each fire station located in the City of Rockford. When a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken.

SECTION 5. INFORMAL ACTION BY MEMBERS. Any action required to be taken at a meeting of the Members of the Corporation, or any other action that may be taken at a meeting of Members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed either (a) by all the Members entitled to vote with respect to the subject matter thereof, or (b) by the Members having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all Members entitled to vote thereon were present and voting. If such consent is signed by less than all of the Members entitled to vote, then such consent shall become effective only (a) if, at least five days prior to the effective date of such consent, a notice in writing of the proposed action is delivered to all of the Members entitled to vote with respect to the subject matter thereof, and (b) if, after the effective date of such consent, prompt notice in writing of the taking of the corporate action without a meeting is delivered to those Members entitled to vote who have not consented in writing.

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SECTION 6. FIXING OF RECORD DATE. For the purpose of determining the Members entitled to notice of or to vote at any meeting of Members, or in order to make a determination of Members for any other proper purpose, the Board of Directors of the Corporation may fix in advance a date as the record date for any such determination of Members, such date in any case to be no more than 60 days and, for a meeting of Members, not less than 5 days, or in the case of a merger, consolidation, or dissolution or a sale, lease, or exchange of assets, not less than 20 days before the date of such meeting. If no record date is fixed for the determination of Members entitled to notice of or to vote at a meeting of Members, the date on which notice of the meeting is delivered shall be the record date for such determination of Members. When determination of Members entitled to vote at any meeting of Members has been made, such determination shall apply to any adjournment of the meeting.

SECTION 7. QUORUM. The holders of one tenth of the votes that may be cast at a meeting of the Corporation, represented in person or by proxy, shall constitute a quorum for consideration of such matter at any meeting of Members provided that, if less than one tenth of the outstanding votes are represented at said meeting, a majority of the votes so represented may adjourn the meeting at any time without further notice. If a quorum is present, the affirmative vote of a majority of the votes represented at the meeting shall be the act of the Members, unless the vote of a greater number or voting by classes is required by the General Not For Profit Corporation Act, the articles of incorporation, or these bylaws. At any adjourned meeting at which a quorum shall be present, any business may be transacted that might have been transacted at the original meeting. Withdrawal of Members from any meeting shall not cause failure of a duly constituted quorum at that meeting.

SECTION 8. PROXIES. Each Member entitled to vote at a meeting of Members or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for him or her by proxy, but no such proxy shall be voted or acted on after 5 months from its date, unless the proxy provides for a longer period.

SECTION 9. VOTING. Except as to the election of Directors, each Member, regardless of class, shall be entitled to one vote in each matter submitted to vote at a meeting of Members. Each Member may vote either in person or by proxy as provided in Section 8 of this Article IV.

SECTION 10. INSPECTORS. At any meeting of Members, the chair of the meeting may, or upon the request of any Member shall, appoint one or more persons as inspector for such meeting.

Such inspectors shall (a) ascertain and report the number of votes represented at the meeting based on their determination of the validity and effect of proxies (b) count all votes and report the results and (c) do such other acts as are proper to conduct the election and voting with impartiality and fairness to all the Members.

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Each report of an inspector shall be in writing and signed by him or her or by a majority of them if there be more than one inspector acting at such meeting. If there is more than one inspector, the report of a majority shall be the report of the inspectors. The report of the inspector or inspectors on the number of votes represented at the meeting and the results of the voting shall be prima facie evidence thereof.

SECTION 11. VOTING BY BALLOT. Voting on any question or in any election may be by voice unless the chair of the meeting shall order or any Member shall demand that voting be by ballot.

**ARTICLE V
FEES AND DUES**

SECTION 1. AMOUNT. The annual Membership dues of this Corporation shall be as duly authorized by the Board of Directors at any regular June or December meeting of this Corporation. Inactive members will not be assessed dues. Membership dues are payable annually, in advance, on or before January 15th of each successive year. Applications for Membership shall be accompanied by Fifteen Dollars (\$15.00) as and for a Membership fee. Applicants shall also pay prorated annual Membership dues from the date of hire with the fire department until the next January 1st. If an application for Membership is not presented and accepted within one year of a person's date of hire, the Membership fee accompanying the application shall be Twenty-Five Dollars (\$25.00). In addition to the Membership fee, applicants applying or re-applying after one year from their date of hire shall also submit with their application an amount, determined by the following schedule:

Years As Non-Member	Amount
One To Four Years-----	2 Times The Current Annual Dues
Five To Nine Years-----	3 Times The Current Annual Dues
Ten To Fourteen Years-----	4 Times The Current Annual Dues
Fifteen Years Or More-----	5 Times The Current Annual Dues

SECTION 2. ARREARS. DELETED

SECTION 3. TERMINATION OF MEMBERSHIP. Members of this Corporation who resign, are discharged from or otherwise terminate their employment with the Rockford Fire Department prior to retirement shall immediately cease to be Members of the Corporation and shall forfeit all benefits therefrom. The foregoing shall not apply to those who retire from the Rockford Fire Department pursuant to applicable state law. Any member who forfeits his membership may be reinstated while still an active firefighter provided he qualifies for membership under these BY-LAWS, and submits the required amount under Article V, Section 1

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plus \$25.00.

SECTION 4. PAYROLL DEDUCTION PLAN. Members of this Corporation during their period of active employment with the Rockford Fire Department shall execute those authorizations necessary to permit the City of Rockford to institute a payroll deduction plan for the payment of annual Corporation dues. Those not receiving salary from the City of Rockford from which such dues can be deducted shall be responsible for promptly and properly paying their annual Membership dues as provided in these by-laws.

ARTICLE VI BOARD OF DIRECTORS

SECTION 1. ELECTION. The business and property of the Corporation shall be managed and controlled by the Board of Directors. The Board of Directors shall consist of seven directors elected by the Members. Four Directors shall be Active Members and three Directors shall be Inactive Members. In elections for Directors, every Active Member shall have one vote for each of the four seats available to Active Members and every Inactive Member shall have one vote for each of the three seats available to Inactive Members. Active Members shall have no vote for seats available to Inactive Members and Inactive Members shall have no vote for seats available to Active Members. Each Director shall serve for a period of two (2) years. Directors who must be Active Members are to be elected on the even years and Directors who must be Inactive Members are to be elected on the odd years. Terms of office for Directors shall commence on July 1st. No one may serve as a Director unless he or she is also a Member.

SECTION 2. VACANCIES. Any vacancy in the Board of Directors shall be filled by the unanimous vote of the remaining Directors then in office.

SECTION 3. REGULAR MEETINGS. The Board of Directors shall meet the third Tuesday of each month. Special meetings may be called at any time by the President. Any three Members of the Board may likewise call for a special meeting by serving written notice on the President. The hour and station of all meetings shall be designated by the President.

SECTION 4. WAIVER. Any notice of a meeting of the Board of Directors of the Corporation otherwise required may be waived in writing before or after the date of such meeting.

SECTION 5. QUORUM. A majority of the Directors shall constitute a quorum for the transaction of business; provided that in the event a quorum is not present at any meeting, a majority of those present shall nevertheless have the power to adjourn the meeting to a fixed date thereafter.

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SECTION 6. REPORTS. The Board of Directors shall, at least once in each year, cause to be made and preserved in the Corporation's files a report of its books, accounts, and records and a detailed inventory of its property by a competent and disinterested accountant.

SECTION 7. COMMITTEES. The Board of Directors may, by resolution, provide for such standing or special committees as it deems desirable and discontinue the same at its pleasure. Each committee shall have such powers and perform such duties not inconsistent with law as may be assigned to it by the Board of Directors.

SECTION 8. WRITTEN CONSENT. The Directors may act by written consent to the extent authorized by Illinois law, and any action authorized by written consent of the Directors sufficient to satisfy the requirements of Illinois law shall have the same effect as if it were duly approved at a meeting attended by all of the Directors.

SECTION 9. PAYMENT OF BILLS. It shall be the duty of the Board of Directors to pass on all bills presented to the Corporation for payment and approve or disapprove the same.

SECTION 10. COMPENSATION OF DIRECTORS. Directors shall be compensated at the rate of Twenty-Five Dollars (\$25.00) for each meeting at which they attend and participate. A Director may be compensated for two (2) excused absences per year.

ARTICLE VII OFFICERS

SECTION 1. OFFICERS. The elective officers of the Corporation shall consist of a President, Recording Secretary and Treasurer. The executive board will consist of the President, Recording Secretary and Treasurer.

SECTION 2. ELECTIONS. The President, Recording Secretary and Treasurer shall be elected every two (2) years at the regular semi-annual meeting of the Corporation on the third Tuesday in June by a vote of the Membership. The persons receiving the highest number of votes shall be declared elected and shall hold office for a term of two (2) years and until their successors are duly elected and qualified. Officers shall be installed and take office at the regular meeting of the Board of Directors in the month of July following the election. In the event that an officer is unable or unwilling to complete his term of office, the Board of Directors shall appoint a Member of the Corporation to perform the duties of that office until the next regularly scheduled election.

SECTION 3. OFFICERS AS DIRECTORS. Nothing in these Bylaws shall be construed as prohibiting an officer from serving as a Director. The terms for Directors and officers shall be determined and measured independently. As such, the expiration of a Member's term as a

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Director shall not affect that Member's remaining term, if any, as an officer; nor shall the expiration of a Member's term as an officer affect that Member's remaining term, if any, as a Director.

SECTION 4. COMPENSATION OF OFFICERS. The President, Recording Secretary and Treasurer shall be compensated at the rate of Fifty Dollars (\$50.00) per month. Officer shall attend the regular monthly meetings described in Article VI, Section 3. An Officer who is not a director shall be compensated for meeting attendance at the director's rate.

ARTICLE VIII DUTIES OF OFFICERS

SECTION 1. PRESIDENT. It shall be the duty of the President to attend all meetings of the Corporation and the Board of Directors, and to preside at the same. The President shall not vote on the Board unless either (1) he is also a Director, in which case he may vote as any other Director or (2) the Directors are deadlocked due to an even number of votes on either side, in which case the President may cast a special vote, above and beyond the vote he may have cast as a Director, to break the deadlock. The President shall appoint all committees, of which he shall be ex-officio chairman, and perform all duties usually and necessarily incident to the office of President. The President shall sign all orders for the payment of money of this Corporation.

SECTION 2. SECRETARY. The Secretary shall attend all meetings of the Corporation and the Board of Directors. He shall keep a record of the proceedings and transactions of the Corporation and all accounts pertaining to the Corporation and his office. In addition to the President, the Secretary of the Corporation shall be authorized to conduct correspondence on behalf of the Corporation. The Secretary shall notify Members when dues are to be paid. All bills against the Corporation shall be filed with him and a record thereof kept by him, together with a record of all money received and paid out. The Secretary shall prepare such reports of the proceedings and transactions of the Corporation as may be required by the Board of Directors, including but not limited to a report thereof at the monthly meetings of the Board of Directors.

SECTION 3. TREASURER. The Treasurer shall have charge of all funds of the Corporation and shall give a report thereof to the Board of Directors monthly and at the semiannual meetings of the Corporation, or as may be required by the Board. Such reports shall account for all money received and all money paid out by him on behalf of the Corporation. No money shall be paid by the Treasurer without the signed order or co-signature of the President and the approval of the Board of Directors. The Treasurer shall give a bond to the Corporation in an amount fixed by the Board of Directors.

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**ARTICLE IX
FUNDS OF THE CORPORATION**

SECTION 1. MANAGEMENT. The funds of this Corporation shall be kept by the Treasurer and invested by the Executive Board by order of the Board of Directors.

SECTION 2. USE. The funds of this Corporation shall be used for the payment of doctor, dentist, chiropractic, optometrist, osteopathic, audiologist, certified hearing aid specialist, hospital, x-ray, chiropodist, convalescent home, nursing home, and ambulance bill as follows:

(a) All doctor, chiropractic, osteopathic, convalescent home, and nursing home bills for ordinary and necessary medical services. All dentist, optometrist, audiologist, certified hearing aid specialist and appliances including but not limited to, dentures, corrective eyeglasses, surgery, contacts, and hearing aids.

(b) All hospital room charges at the lowest current rate available in the City of Rockford;

(c) Special nurse, x-ray, and chiropodist bills will be paid, provided the same were recommended or ordered in advance in writing by the Member's medical doctor;

(d) Charges for ambulance services will be paid in cases of sickness or accident that require the Member to be transported to a hospital or medical facility for treatment.

(e) The Corporation will not pay the first \$250.00 of any expenses claimed under this Section in any calendar year for prescriptions.

(f) The Corporation will not pay the first \$250.00 of any expenses claimed under this Section in any calendar year for medical expenses.

SECTION 3. CLAIMS. In the event that a Member suffers an illness or injury arising out of or during the course of employment for which the Member may file a claim pursuant to the Workers Compensation or Occupation Disease or similar laws of this State, no payments shall be made by the Corporation unless and until the claim of the Member has been denied for payment by the City of Rockford. Members who after such denial of payment subsequently receive either a settlement, award or judgment for such injury or illness that includes payment for the denied claims shall reimburse, without interest, the Corporation for any claims previously paid by the Corporation in connection with the injury or illness. Members shall execute such documents as are necessary to preserve the interests of the Corporation in such cases.

Members shall be required to establish to the Board of Directors that a particular injury

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occurred in or a particular illness was contracted in the line of duty. Members shall also be required to establish to the Board of Directors by competent medical evidence that claims are directly related to line of duty injuries or illnesses.

SECTION 4. MAXIMUM BENEFIT.

(a) The maximum annual benefit for medical expenses, which are not prescription expenses as described in Section 16 of this Article, for a Member in a calendar year shall be Two Thousand and no/100 (\$2,000.00) Dollars. Claims for medical expenses with regard to injuries occurring or illnesses contracted in the line of duty are not subject to the maximum annual benefit for medical expenses.

(b) The maximum annual benefit for prescription expenses, as described in Section 16 of this Article, for a Member in a calendar year shall be Two Thousand and no/100 (\$2,000.00) Dollars.

(c) The maximum total lifetime benefit for a Member is Twenty-Eight Thousand Six Hundred and no/100 (\$28,600.00) Dollars. Except as provided in paragraphs (d) and (e) below, no Member may receive more than Fifteen Thousand and no/100 (\$15,000.00) Dollars in medical expenses, nor more than Ten Thousand and no/100 (\$10,000.00) Dollars in prescription expenses. No Member may receive more than Three Thousand and no/100 (\$3,000.00) Dollars in death benefit as provided in Section 8, nor more than Six Hundred and no/100 (\$600.00) Dollars in reimbursements for physical examinations as provided in Section 15.

(d), (e), (f) deleted.

SECTION 5. CLAIMS PROCEDURE. It shall be the duty of each member presenting bills against the corporation to submit an insurance Explanation Of Benefits, (E.O.B.) and Relief Association claim form in person or by mail, to the Board of Directors within the first ninety days of the calendar year after services were received, or within ninety days from the date of the final E.O.B. for the previous years services.

SECTION 6. SPECIAL USES. Subject to the remaining limitations and conditions of this Article IX, funds of this Corporation shall be used to pay for mental illness, alcoholism, and drug addiction. Funds of this Corporation shall not be used to pay for claims relating to pregnancy, abortion, sterilization or procedures to reverse voluntary sterilization and similar medical procedures, venereal or other sexually transmitted diseases; provided, however, subject to the remaining limitations and conditions of this Article IX, funds of this Corporation shall be used to pay for illnesses or diseases contracted in the line of duty.

SECTION 7. EXPENSES. The Secretary and Treasurer shall be allowed sufficient funds

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to defray the expenses of each office, as the same is fixed by the Board of Directors.

SECTION 8. DEATH BENEFIT. The Rockford Fire fighters Relief Association, Inc. will pay a death benefit of three thousand dollars (\$3000.00).

SECTION 9. TELEPHONE OR TELEGRAPHIC MESSAGES. No funds of the Corporation shall be paid for telephone or telegraphic messages contracted by Members in connection with their claims without the order of the Board of Directors. The foregoing shall not apply to telephone or telegraphic messages made by officers of the Corporation while conducting the necessary business of the Corporation.

SECTION 10. ANNUAL AUDIT. **DELETED**

SECTION 11. AUTHORIZED MEDICAL SUPPLIES. All drugs, medicines, dressings, etc. used or authorized by a Member's doctor shall be paid by the Corporation if the same are used at the hospital or doctor's office. Subject to the remaining limitations and conditions of this Article IX, in the case of line of duty injuries or illnesses, the same shall be paid by the Corporation if they are used at the hospital, doctor's office, or the Member's home. Claims for Laboratory tests shall be paid if authorized by the Member's doctor in charge, subject to the limitations and conditions of this Article IX.

SECTION 12. ACCIDENTS. Members submitting claims for line of duty illnesses or injuries shall establish that they have filed the necessary forms and documents with the City of Rockford to make claim for workers compensation, occupational disease or similar benefits.

Members who fail to comply with the foregoing requirements and those of Section 3 above shall forfeit any right or claim to the benefits provided for line of duty illnesses or injuries provided in this Constitution and By-Laws.

SECTION 13. HEART OR LUNG DISEASE. All Members who are active firefighters who are found by two (2) doctors approved by the Corporation to have heart or lung disease shall be presumed to have a line of duty illness or injury and shall be eligible for the benefits provided therefore in this Constitution and By-Laws. This presumption shall not apply to non-fire fighter Rockford Fire Department employees or to fire fighters who have retired.

SECTION 14. COORDINATION WITH OTHER MEDICAL EXPENSE PLANS. Members who are covered under any other medical expense plan, including without limitation Medicare, Medicaid, and any worker compensation fund, shall disclose such coverage to the Board of Directors at the time they apply for benefits under this Article 9. The Corporation shall grant medical expense benefits to a Member only to the extent that such medical expenses cannot be covered by other medical expense plans available to the Member. The Corporation shall not

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grant medical expense benefits for any illness or injury which was the subject of a settlement with another medical expense plan unless the Member can show that the entire amount of the settlement has been applied to medical expenses relating to that illness or injury.

SECTION 15. PHYSICAL EXAMINATIONS. All active Members of the Corporation are entitled to payment for three general physical examinations, not to exceed two hundred dollars (\$200.00) per examination. This would exclude all promotional physicals.

SECTION 16. PRESCRIPTION MEDICINES. Claims for prescription medicines, otherwise and previously not covered in another section of this article, will be allowed, but not the first \$250.00 in claimed prescription medicines. The term “prescription medicines” shall mean drugs, ointments and similar consumable medicines, but shall not include durable goods such as eyeglasses or hearing aids.

SECTION 17. COMMUNITY GIFTS. DELETED

**ARTICLE X
FISCAL YEAR**

The fiscal year of the Corporation shall begin January 1 and end December 31.

**ARTICLE XI
CONTRACTS**

No officer, agent or employee of the Corporation shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or render it liable pecuniarily for any purpose or to any amount unless so authorized by the Board of Directors, either by general authority or conferred to a specific instance.

**ARTICLE XII
INDEMNIFICATION**

Each of the officers and Directors of the Corporation is, to the fullest extent allowed by law, indemnified and saved harmless from any and all expenses actually and necessarily incurred by them and each of them in connection with the defense or settlement of any claim, action, suit or proceeding in which they or any of them are parties or a party by reason of being or having been Directors or an officer of the Corporation.

**ARTICLE XIII
INSURANCE**

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The Board of Directors is, to the fullest extent allowed by law, empowered to purchase and maintain insurance, on behalf of any and all of its Directors or officers or former Directors or officers, against liability or settlement based on asserted liability incurred by them by reason of being or having been a Director or officer, whether or not the Corporation would have the power to indemnify them against such liability or settlement.

**ARTICLE XIV
PARLIAMENTARY AUTHORITY**

Robert's Rules of Order (newly revised current edition) shall govern all procedures at meetings of Members, Board of Directors and committees.

**ARTICLE XV
AMENDMENTS**

The Bylaws may be altered or repealed by the affirmative vote of a majority of the Members casting ballots provided said proposed amendment is submitted to the Board of Directors thirty (30) days before the next regular meeting of the Board. Ballots shall be made available to Active Members at their local fire stations and shall be mailed to Inactive Members thirty (30) days prior to the date of the vote. Amendments to Articles II and VI of these Bylaws shall only be effective if approved by three-fourths (3/4) of all Members. There shall be no amendment of either the Bylaws or the Articles of Incorporation which will disqualify the Corporation as a tax-exempt organization under Section 501(c)(9) of the Code. The Directors of the Rockford Firefighters Relief Association, Inc. have the discretion to approve any changes or modifications to the organization's Articles of Incorporation and/or Bylaws necessary to obtain IRS approval of tax-exempt status. Such discretion is not intended to allow changes that would alter the purpose of the organization. The Board of Directors of the Rockford Fire Fighters Relief Association, Inc. have the discretion to approve any changes to the Association's VEBA Plan Handbook, provided that any changes are consistent with all applicable laws and regulations.

Notwithstanding the foregoing, the Board of Directors shall act as Administrators of the Rockford Firefighters Relief Association Incorporated VEBA Plan ("Plan") and thus may alter or repeal any portion of the Bylaws which defines Plan eligibility, benefits or contributions. A majority of the membership may, at any time and for any reason, terminate the Board of Directors' power to act as an Administrator of the Plan.