

**B Y L A W S
O F
P I N N A C L E L I B R A R Y C O O P E R A T I V E**

MISSION STATEMENT

The primary mission of the Pinnacle Library Cooperative, herein after referred to as Pinnacle Library Cooperative, is to provide access to information resources by means of an integrated automated system which reflects the holdings and availability of holdings in all participating libraries. At the same time, through its computerized cooperative public library network, the Cooperative promotes cooperation and resource sharing.

ARTICLE I - AUTHORITY

Pinnacle Library Cooperative is established pursuant to the intergovernmental cooperation clause as set forth in Article VII, Section 10 of the Constitution of the State of Illinois, the Intergovernmental Cooperation Act, 5 ILCS 220/1 *et seq.* Pinnacle Library Cooperative shall not have or exercise any power which is not granted to a public library pursuant to Illinois law.

ARTICLE II – DEFINITIONS

Governing Board – the board of directors of the Pinnacle Library Cooperative, consisting of one representative from each Member.

Director – the representative of a Member appointed by its Governing Body to serve on the Governing Board

Executive Committee – the Chair, Vice Chair, Secretary and Treasurer of the Governing Board.

Member – a library that pays for the services and the use of all existing application programs as delineated in the Intergovernmental Agreement and whose patrons have full access to the benefits of the ILS. Members are voting members and may hold any office.

Standing Groups – consists of three groups: circulation, technical services and public catalog.

Governing Body - the group of persons vested with the ultimate legal and fiscal authority for the management of the affairs of a Member, irrespective of the name by which such group is designated by the Member.

ARTICLE III - GOVERNING BOARD

Section 1. General Powers and Duties

To the extent not otherwise expressly provided in these Bylaws, the affairs of Pinnacle Library Cooperative shall be managed by its Governing Board. In addition, the Board shall have the following specific duties:

- A. To administer and supervise the ILS;
- B. To adopt policy and bylaws;
- C. To approve the budget;
- D. To employ or contract with agents, employees, vendors, independent contractors or other entities, including legal counsel, accountants and such other persons as may be necessary to provide any services required for the ILS or its implementation, to store any of the equipment required to carry out the services outlined in this Agreement and to accomplish the purposes of Pinnacle Library Cooperative;
- E. To purchase or lease equipment, machinery or personal property necessary for the carrying out of the purpose of the ILS;
- F. To create and approve the strategic plan;
- G. To evaluate the performance of vendors and contractors;
- H. To review agreements and bylaws at least every three (3) years.

The Pinnacle Library Cooperative Governing Board shall not have or exercise any power that is not granted to a public library pursuant to Illinois Law.

Section 2. Number of Members

The number of directors on the Governing Board shall be equal to the number of libraries which are active Members and shall be increased or decreased automatically and without further act so that the number of the members of the Governing Board shall be equal to the number of active Members.

Section 3. Appointment

Each Member shall appoint its head administrator or acting administrator (during position vacancy) as the Member's representative on the Governing Board. The Director may also designate, in writing, an alternate to vote in their absence. The list of Directors and their alternates shall be provided to all Members.

Each Director shall vote in accordance with the authority conferred by the Governing Body of the Member making the appointment.

Section 4. Meetings

The Governing Board shall establish a schedule of regular meetings as it deems appropriate, no less frequently than once each quarter of each fiscal year. Meetings of the Governing Board will be held customarily at a Pinnacle Library Cooperative Member, but under special circumstances they may be held elsewhere with prior approval of the Governing Board. Robert's Rules of Order, Newly Revised Edition, shall be applicable to the conduct and business of such meetings on all matters not covered by these Bylaws. The Pinnacle Library Cooperative Chair shall ensure that the packet of materials for each meeting of the Governing Board is transmitted to each member of the Governing Board.

Section 5. Special Meetings

Special meetings of the Governing Board may be called by or at the request of the Chair, the Vice Chair or any three (3) members of the Governing Board. Special meetings will be held at a Pinnacle Library Cooperative Member, but under special circumstances they may be held at another location convenient to the public and with the prior approval of the Governing Board.

Section 6. Notices

Subject to the provisions of Section 5 above, no further notice of annual or regularly scheduled meetings of the Governing Board need be given to the individual members of the Governing Board.

Except as hereinafter provided, notice of any special meeting of the Governing Board shall be given at least five (5) business days prior thereto by telephone, by electronic telecommunications or by written notice to each member of the Governing Board at his/her address as shown by the records of Pinnacle Library Cooperative. Board shall notify members at least two (2) days prior to any special meeting. If given by electronic telecommunication, such notice shall be deemed to be delivered when the electronic telecommunication is sent, provided, however, that the electronic communication must be filed with the minutes of proceedings of the Governing Board. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid.

In the event that the Chair, Vice Chair or any three (3) members of the Governing Board shall determine that there is a financial or other emergency to Pinnacle Library Cooperative, an emergency special meeting of the Governing Board may be held if reasonable notice thereof is given by telephone or electronic telecommunications prior to such meeting.

A minimum of ten (10) days notice by telephone, by electronic telecommunications or by written notice shall be provided to each Director at his/her address as shown by the records of Pinnacle Library Cooperative before the Governing Board meeting at which the following items are to be voted on and these items must receive a two-thirds (2/3) vote of all Members:

- A. Approval of the budget;
- B. Approval of bylaws changes;
- C. All contracts;
- D. Any matter of capital improvements of hardware or software purchased which have an impact in excess of \$5,000.00 on any Member; and
- E. Dissolution of Pinnacle Library Cooperative.

Section 7. Quorum

A majority of all members of the Governing Board must be physically present, pursuant to Illinois law, and shall constitute a quorum of the Governing Board for the transaction of business at any meeting of the Governing Board, provided that if less than a quorum of the members of the Governing Board is present at said meeting, a majority of the members of the Governing Board present may adjourn the meeting to another time without further notice.

Section 8. Voting

Except as provided elsewhere in these Bylaws, a simple majority of a quorum shall be sufficient to pass on all matters. All votes will be taken at a Pinnacle Library Cooperative Governing Board meeting. Directors participating electronically may also vote. No substitutes or proxies shall be allowed to vote in the place of a Director or the designated alternate.

Voting procedures will be reviewed annually by the Pinnacle Library Cooperative Governing Board. Amended procedures shall become effective upon approval by Pinnacle Library Cooperative Governing Board following the procedures in effect prior to amendment.

Section 9. Compensation

Members of the Governing Board shall not receive any compensation for their services.

ARTICLE IV – EXECUTIVE COMMITTEE

Section 1. Executive Committee

The Executive Committee of Pinnacle Library Cooperative shall be composed of the Chair, the Vice Chair (who shall be the Chair-Elect), the Secretary and the Treasurer. The Executive Committee of the Governing Board shall review the procedures, policies and performance of the Governing Board, and make recommendations and take such other actions as may be directed by the Governing Board.

A quorum of the Executive Committee shall consist of a majority of the entire membership of the said Committee and the affirmative vote of a simple majority of the members of the Executive Committee present at a meeting at which a quorum is present shall be the act of the Committee.

The officers shall be elected by the Governing Board at the last general meeting before the end of the Pinnacle Library Cooperative's fiscal year. They shall assume their office at the beginning of the new fiscal year in accordance with the provisions of Section 2 below. Only those persons who are members of the Governing Board are eligible for election to the office of Chair, Vice Chair, Secretary and Treasurer.

Officers whose authority and duties are not prescribed in these Bylaws shall have the authority and perform the duties prescribed, from time to time by the Governing Board.

Section 2. Election and Term of Office

The term of office for officers elected on or before June 30, 2013 shall terminate on June 30, 2013. Thereafter, the term of office for each officer shall be for one (1) fiscal year of Pinnacle Library Cooperative.

The person elected as Vice Chair shall, after serving his/her term as Vice Chair, serve as Chair of Pinnacle Library Cooperative for the succeeding fiscal year. Each officer shall hold office until his/her successor shall have been duly elected or until he/she shall resign, vacate office or shall have been removed in the same manner set forth herein. Election of an officer shall not of itself create contract rights.

Section 3. Vacancies

In the event that the office of Chair becomes vacant, the Vice-Chair shall assume the duties of the Chair, and the Board shall elect one of its members to the office of Vice-Chair for the remainder of the term. In the event one of the other offices becomes vacant, the Board shall elect one of its other members to fill the remainder of the term at the next Governing Board meeting.

Section 4. Removal

Any officer elected or appointed by the Governing Board may be removed by a two-thirds (2/3) vote of a quorum of Board Members whenever in its judgment the best interests of Pinnacle Library Cooperative would be served thereby.

Section 5. Chair

The Chair shall be the executive officer of the Board and shall have general supervision of the group. The Chair shall create agendas and preside at all meetings of the Governing Board. The Chair shall appoint all committees and liaisons to other groups. The Chair, with the concurrence of the Governing Board, shall establish Standing and Ad Hoc Committees as deemed necessary to support the normal functions, special activities and purposes of Pinnacle Library Cooperative. Except in those instances which the authority to execute is expressly delegated to another officer or agent of Pinnacle Library Cooperative or a different mode of execution is expressly prescribed by the Governing Board or these Bylaws, he/she may execute for Pinnacle Library Cooperative any contracts, deeds, mortgages or other instruments which the Governing Board has authorized to be executed, and he/she may accomplish such execution either individually or with the Secretary or any other officer or agent thereunto authorized by the Governing Board, according to the requirements of the form of the instrument.

Section 6. Vice-Chair/Chair-Elect

The Vice Chair is the Chair-Elect. In the absence of the Chair or in the event of the Chair's inability or refusal to act as mandated by the Governing Board, the Vice Chair shall perform the duties of the Chair, and when so acting shall have all the powers of and be subject to all the restrictions upon the Chair. Except in those instances in which the authority to execute is expressly delegated to another officer or agent of Pinnacle Library Cooperative or a different mode of execution is expressly prescribed by the Governing Board or these Bylaws, the Vice Chair may execute for Pinnacle Library Cooperative any contracts, deeds, mortgages or other instruments which the Governing Board has authorized to be executed, and he/she may accomplish such execution either individually or with the Secretary or any other officer or agent thereunto authorized by the Governing Board, according to the requirements of the form of the instrument.

Section 7. Treasurer

The Treasurer shall be the principal accounting and financial officer of Pinnacle Library Cooperative. In performing these duties, the Treasurer shall oversee the work of the Member, agent, consultant or independent contractor hired to perform financial services for Pinnacle Library Cooperative. He/she shall have charge of and be responsible for the maintenance of adequate books of account for Pinnacle Library Cooperative; have charge and custody of all funds and securities of Pinnacle Library Cooperative, and be responsible therefore, and for the receipt and disbursement thereof and, subject to the provisions of Section 6 of Article V below, shall deposit such funds and securities in such banks as the Governing Board shall approve from time to time; perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him/her by the Chair or by the Governing Board; and shall give a bond for the faithful discharge of his/her duties in such sum and with such surety or sureties as the Governing Board shall determine, which bond shall be paid for by Pinnacle Library Cooperative.

Section 8. Secretary

The Secretary shall record the minutes of the meetings of the Governing Board and Executive Committee meetings. The Secretary shall also see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; be custodian of the official records of Pinnacle Library Cooperative; keep a register of the post office address of each member of the Governing Board, which addresses shall be furnished to the Secretary by such member of the Governing Board; and perform all duties incident to the office of Secretary; and such other duties as from time to time may be assigned to him/her by the Chair or by the Governing Board. In the absence of the Secretary, the Chair shall designate another Governing Board member as Secretary Pro Tem to keep the minutes.

ARTICLE V - FINANCIAL MATTERS

Section 1. Fiscal Year

The fiscal year of Pinnacle Library Cooperative shall be from July 1 to June 30.

Section 2. Financial Guidelines

The Governing Board shall establish a policy concerning the minimum and maximum fund balances for the Operating Fund.

Section 3. Budget

The Governing Board and/or contracted support provider shall prepare a draft of the Operating Budget for the forthcoming fiscal year by November of each year. The Directors will review the budget and discuss it with the Member's Governing Body prior to the February Governing Board meeting.

The proposed Operating Fund budget shall be voted upon by a roll call vote of two-thirds (2/3) of the Pinnacle Library Cooperative Governing Board at the February Board Meeting.

The Governing Board may amend the budget by a roll call vote of two-thirds (2/3) of the Pinnacle Library Cooperative Governing Board, should the Governing Board during the course of any fiscal year determine that the approved budget of Pinnacle Library Cooperative requires amendment.

Section 4. Contracts

The Governing Board may authorize any officer or officers, agent or agents of Pinnacle Library Cooperative, to enter into any contract or execute and deliver any instrument in the name of and on behalf of Pinnacle Library Cooperative; such authority may be general or confined to specific instances.

Section 5. Checks, Drafts, Etc.

All checks, drafts, or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of Pinnacle Library Cooperative, shall be signed by such officer or officers, agent or agents of Pinnacle Library Cooperative as shall be determined by resolution of the Governing Board. In the absence of such determination by the Governing Board, such instruments shall be signed by the Treasurer and countersigned by the Chair, Vice-Chair or Secretary of Pinnacle Library Cooperative.

Section 6. Deposits

All funds of Pinnacle Library Cooperative shall be deposited from time to time to the credit of Pinnacle Library Cooperative in such banks, trust companies or other depositories as the members of the Governing Board may approve; provided, however, that all such deposits and investments shall be in financial institutions in which monies of public libraries may be deposited or invested in, in compliance with the requirements of Illinois Compiled Statutes, 30 ILCS 235/0.01.

Section 7. Gifts

The Governing Board may accept or reject on behalf of Pinnacle Library Cooperative any contribution, gift, bequest or device for the general purposes or for any special purpose of Pinnacle Library Cooperative.

Section 8. Audits

An audit shall be conducted within 180 days of the end of each fiscal year by an independent certified public accountant authorized to practice public accounting in Illinois, which accountant shall be designated by the Governing Board. Such audit shall include a report to the Governing Board and the professional opinion of the accountant as to the financial status of Pinnacle Library Cooperative and as to the accuracy of the audit. In accordance to the rules of the General Accounting Standards Board (GASB), a Management Discussion and Analysis will be prepared and approved by the Governing Board Treasurer for inclusion in the full audit report.

Section 9 Payments

Each Member shall pay in full its share of the financial obligations incurred by Pinnacle Library Cooperative, such payment to be made within thirty (30) days of

receipt of Pinnacle Library Cooperative's billing. Pinnacle Library Cooperative shall transmit monthly billing statements to all Members.

Pinnacle Library Cooperative 's monthly billing statement to such Member shall include, but not be limited to, new hardware, software and workstation costs, extraordinary items (such as capital improvements or new services), maintenance service costs, telecommunication operating costs, compensation to personnel employed by Pinnacle Library Cooperative, insurance, communication line installation costs and other operating costs.

Interest at the then-current Illinois Funds (formerly Illinois Public Treasurer's Investment Pool) rate plus one (1) per cent may be charged to each Member which fails to pay its monthly or other billing statements within thirty (30) days after receipt thereof.

Section 10. Financial Arrearages

In the event that a Member fails to timely pay its monthly billing statement from Pinnacle Library Cooperative or fails to pay within thirty (30) days after written demand any interest or penalty imposed hereunder, the Governing Board Executive Committee may suspend the membership status of such Member and thereby deny computer services and database access to such Member, until such payment is made in full. If such Member fails to make full payment within ninety (90) days after such termination of services, the Governing Board may take such other action as is necessary or appropriate, including litigation against such Member.

ARTICLE VI – STANDING GROUPS AND OTHER COMMITTEES

The following Standing Groups are established: Circulation Users Group, Technical Services Users Group and Public Catalog Users Group. Other Standing Groups may be established by the Governing Board. The Standing Groups and their subcommittees are primarily attended by employees of the Members, rather than by Directors of the Governing Board. In addition, the participants in the Standing Groups are not appointed by the Governing Board and representatives from all Members may attend any of the Standing Group or subcommittee meetings. Agendas for all Standing Group and subcommittee meetings will be sent electronically to all Members and will be posted on Pinnacle Library Cooperative's website. Each Group shall elect a Chair from amongst its members to serve annually.

The Circulation Users Group shall consider issues related to circulation and interlibrary loan in Pinnacle Library Cooperative and make appropriate recommendations to the Governing Board.

The Technical Services Users Group shall consider issues related to cataloging, serials, acquisitions and data entry in Pinnacle Library Cooperative and make appropriate recommendations to the Governing Board.

The Public Catalog Users Group shall consider issues related to public access in Pinnacle Library Cooperative and make appropriate recommendations to the Governing Board.

Other committees may be established by the Chair of the Governing Board. The Chair shall appoint the members of such committees.

ARTICLE VII - BOOKS AND RECORDS

Pinnacle Library Cooperative shall keep correct and complete books and records of account and shall also keep minutes of the meetings of the membership of Pinnacle Library Cooperative and of proceedings of the Governing Board and committees having any of the authority of the Governing Board. Pinnacle Library Cooperative shall keep at its principal office a record giving the names and addresses of the members of the Governing Board. All books and records of Pinnacle Library Cooperative may be inspected by any Member or Director, or the agent or attorney thereof, for any proper purpose at any reasonable time.

ARTICLE VIII - SERVICES TO MEMBERS

Subject to the terms and conditions set forth in the Intergovernmental Agreement and in conformity with the provisions of these Bylaws, Pinnacle Library Cooperative shall, on a uniform and nondiscriminatory basis, provide each Member on active membership status in Pinnacle Library Cooperative with cooperative library application computer services and automation services, including but not limited to software designed to meet the specific needs of the Members. The Governing Board of Pinnacle Library Cooperative shall take all necessary and appropriate actions so as to enable Pinnacle Library Cooperative to provide such computer and automation services, including causing Pinnacle Library Cooperative to enter into one or more contracts with third parties for such services.

ARTICLE IX - MEMBERS AND MEMBERSHIP

Section 1. Members

Any library that agrees to the terms and conditions of an agreement with Pinnacle Library Cooperative may be admitted to membership in Pinnacle Library Cooperative, but only upon compliance with the following conditions:

- A. The addition of the new Member requires approval by the affirmative vote of all of the Member Libraries;
- B. The new Member shall sign a copy of the Intergovernmental Agreement and of these Bylaws for the purpose of acknowledging its commitment to assume the rights and fulfill the responsibilities of membership in Pinnacle Library Cooperative and shall transmit to the Secretary of Pinnacle Library Cooperative a certified copy of the document approved by such new Member providing for the execution of the Intergovernmental Agreement and Bylaws and the signed Intergovernmental Agreement;
- C. The active membership of such new Member shall become effective on the date on which its bibliographic or patron records are first loaded into the Pinnacle Library Cooperative database;

- D. If the financial impact of the new Member will cause a disproportionate increase in costs on existing Members, admission may be conditioned on the applicant Library bearing such increase in costs; and
- E. For purposes of these Bylaws, the members of Pinnacle Library Cooperative are referred to as "Members." The term "Member" includes each new Member as of the effective date of its active membership in Pinnacle Library Cooperative.

Section 2. Transfer of Membership

Membership in Pinnacle Library Cooperative is not transferable or assignable.

Section 3. Responsibilities of Member Libraries

Each Member shall comply with such other reasonable rules and regulations as may be established by Pinnacle Library Cooperative for the administration of the ILS as well as all policies of Pinnacle Library Cooperative that have been established by the Delegates Assembly. In the event that any Member shall fail to conform to such standards, the Pinnacle Library Cooperative Executive Committee shall investigate and shall report its findings and recommendations to the Pinnacle Library Cooperative Governing Board for such action as the Governing Board may determine to be appropriate pursuant to Article XI below.

Each Member shall comply with the confidentiality requirements contained in any Sales Agreement and Maintenance Agreement or any other agreement entered into by Pinnacle Library Cooperative with any vendor. The compliance required of each Member shall include signing any confidentiality documents and observing any other requirements designated by Pinnacle Library Cooperative in writing. In addition, each Member shall be individually responsible for any breach or violation of the confidentiality requirements by such Member, whether occurring during the term of the Member's membership in Pinnacle Library Cooperative or thereafter.

Section 4. Term and Termination of Membership

Each Member (including new Members admitted pursuant to Section 1 of this Article) shall participate in the Intergovernmental Agreement for a minimum term of three (3) years from the date on which the active membership of such Member commences. Upon the expiration of such three-year period, the term of participation of such Member shall automatically be renewed for successive one-year periods, unless the terminating Governing Body and the Pinnacle Library Cooperative Governing Board, as stated in the Intergovernmental Agreement, mutually agree in writing to terminate such Agreement, or unless at any time after the expiration of the initial three-year period such Member gives written notice of its intention to cancel its participation in the Agreement as hereinafter provided.

Such notice of cancellation shall be in the form of a certified copy of an ordinance or resolution, declaring such Member's intent to cancel its membership in Pinnacle Library Cooperative, and shall be effective only if:

- A. Such notice is given prior to June 30, one (1) year in advance of the proposed termination date and the end of the fiscal year following the fiscal year in which notice was given; and

- B. The Member giving such notice has satisfied and will satisfy all of its obligations under the Intergovernmental Agreement and under these Bylaws.

Each renewal of a Member's participation shall be on the terms, provisions, and conditions as are then contained in the Intergovernmental Agreement and these Bylaws (unless changed or modified by mutual consent in writing).

Section 5. Reinstatement

A Member that has terminated membership may be reinstated by applying for admission as a new Member, as set forth in Section 1 of this Article. Such reinstated Member shall pay its share of the costs of new equipment and services purchased by Pinnacle Library Cooperative subsequent to the termination of such Library's membership status, said share to be determined according to the policies of Pinnacle Library Cooperative as in effect at the time of such reinstatement.

ARTICLE X - TERMINATION OF MEMBERSHIP

Section 1. Obligations Upon Termination of Membership

A Member terminating its membership in Pinnacle Library Cooperative during the third or subsequent year, as provided in Section 4 of Article IX above, shall continue to be fully obligated for all payments and other duties owed by such Member to Pinnacle Library Cooperative during the final year of such Member's participation in Pinnacle Library Cooperative.

Notwithstanding anything to the contrary contained in these Bylaws, a terminating Member shall remain fully obligated for:

- A. All special payments and duties which had been specifically allocated to it by the Governing Board of Pinnacle Library Cooperative prior to the giving of written notices of termination by such terminating Member; and
- B. Its pro rata share of any extraordinary payments and duties allocated to it by the Governing Board during the final year of participation by such terminating Member.

Section 2. Rights Upon Termination of Membership

At the expense of the terminating Member, Pinnacle Library Cooperative shall copy in machine-readable form the terminating Member's entries in Pinnacle Library Cooperative's bibliographic and patron databases and remove terminating Member's bibliographic and patron records from the Pinnacle Library Cooperative database. Such terminating Member shall have no right or interest in the hardware or software heretofore and thereafter purchased by Pinnacle Library Cooperative, except as otherwise specifically provided in these Bylaws.

Section 3. Procedure Upon Dissolution of Pinnacle Library Cooperative

Upon the adoption of a resolution of dissolution by two-thirds (2/3) of the Members of Pinnacle Library Cooperative, Pinnacle Library Cooperative shall cease to conduct its affairs except insofar as may be necessary for the proper winding up thereof, and shall immediately cause a notice of the proposed dissolution to be mailed to each Member and to each known creditor of Pinnacle Library Cooperative. Pinnacle

Library Cooperative shall then proceed to collect its assets and apply and distribute them as hereinafter provided:

- A. All liabilities and obligations of Pinnacle Library Cooperative shall be paid or adequate provision shall be made therefore;
- B. All assets held by Pinnacle Library Cooperative upon condition requiring return, transfer or conveyance, which condition occurs by reason of the dissolution, shall be returned, transferred or conveyed in accordance with such requirements; and
- C. All remaining property and assets held by or in the name of Pinnacle Library Cooperative shall be distributed to the then current Members of Pinnacle Library Cooperative. Said distribution shall be in a manner which approximates the respective equity positions of the Members at the time of dissolution.

Article XI - ENFORCEMENT PROCEDURES

Failure to Comply

In the event that a Member fails to comply with these Bylaws or any rule or regulation of Pinnacle Library Cooperative:

- A. Such Member shall be given a written notice from the Governing Board requesting compliance. At the written request of such Member, the Governing Board Executive Committee will meet with such Member to discuss the failure to comply and the corrective action needed for compliance;
- B. Unless such Member has taken all required corrective action within the time period set forth in said written notice, or, if a hearing was requested, within the time period imposed by the Governing Board Executive Committee after such hearing, the full Governing Board may suspend the active membership status of such Member and thereby deny computer services and database access to such Member, until such corrective action is taken. The Member shall not thereby be released from any of its obligations under the Intergovernmental Agreement and these Bylaws, including the obligation to make financial payments to Pinnacle Library Cooperative; and
- C. If such Member has not taken such corrective action within ninety (90) days after such termination of services, the Governing Board may take such other action as it deems necessary or appropriate, including litigation against such Member.

ARTICLE XII - AMENDMENT OF BYLAWS

The Bylaws may be amended, altered, added to or repealed upon the affirmative vote of two-thirds (2/3) of the Governing Board, at any regular or special meeting of the Governing Board, provided that notice of the proposed amendment, alteration, addition or repeal is given in writing to the Members ten (10) days prior to such meeting.

ARTICLE XIII – NOTICES

All notices of claims or any other notice required to be given pursuant to these Bylaws, shall be in writing, shall be sent by certified mail and shall be addressed to

or to such address or such other parties as the Parties may from time to time designate by notice as provided herein:

Pinnacle Library Cooperative
c/o Joliet Public library
150 N. Ottawa Street
Joliet IL 60432
Attention: Pinnacle Library Cooperative Chair

ARTICLE XIV – LIABILITY OF PINNACLE LIBRARY COOPERATIVE, ITS EMPLOYEES AND PINNACLE LIBRARY COOPERATIVE GOVERNING BOARD DIRECTORS

- A. The Directors of the Pinnacle Library Cooperative Governing Board and employees of Pinnacle Library Cooperative shall use ordinary care and reasonable diligence in the exercise of their powers and in the performance of their duties hereunder. They shall not be liable for any mistake of judgment or other action made, taken or omitted by them in good faith; nor for any action taken or omitted by any agent, employee or independent contractor; nor for any loss incurred through investment of Pinnacle Library Cooperative funds or failure to invest. They may participate in indemnification and self insurance programs and will also purchase liability insurance for Pinnacle Library Cooperative and for its officers and directors. No Director or employee shall be liable for any action taken or omitted by any other Director or employee. No Director of the Pinnacle Library Cooperative Governing Board shall be required to give a bond or other security to guarantee the faithful performance of the Director's duties hereunder, except as required by this Agreement or by law;
- B. The liability of Pinnacle Library Cooperative, its employees and Pinnacle Library Cooperative Governing Board Directors is limited solely to the proceeds of payments of Members and to the proceeds of any insurance purchased by Pinnacle Library Cooperative;
- C. If any claim or action not covered by insurance is instituted against a Pinnacle Library Cooperative Governing Board Director or employee of Pinnacle Library Cooperative arising out of an act or omission occurring within the scope of his or her duties or authority, Pinnacle Library Cooperative shall at the request of them:
 - 1. Appear and defend against the claim or action; and
 - 2. Pay or indemnify the Pinnacle Library Cooperative Governing Board Director or employee for a judgment and court costs based on such claim or action, provided there shall be no indemnification for any portion of a judgment representing an award of punitive or exemplary damages; and
 - 3. Pay or indemnify the Pinnacle Library Cooperative Governing Board Director or employee for a compromise or settlement of such claim or action providing the settlement is approved by the Pinnacle Library Cooperative Governing Board.

- D. The term "Pinnacle Library Cooperative Governing Board Director or employee" shall include former Pinnacle Library Cooperative Governing Board Directors and employees. Notwithstanding anything to the contrary in this Article XV, this indemnification shall not apply if the Pinnacle Library Cooperative Governing Board finds that the claim or action is based on malicious, willful or criminal claim or action is based on malicious, willful or criminal misconduct. In such case the action to be taken by the Pinnacle Library Cooperative Governing Board will be determined after an investigation of the facts.