

**BYLAWS
OF
PINNACLE LIBRARY COOPERATIVE**

MISSION STATEMENT

The primary mission of the 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.

Committees – Committees will be convened as needed to discuss issues related to the functions of the Pinnacle Library Cooperative. Committees will be comprised of staff of member libraries

Governing Board - 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, contract with, and evaluate agents, employees, vendors, independent contractors or other entities, including legal counsel, accountants and 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 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 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 Members.

Section 3. Appointment

Each Member shall appoint its Director, 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.

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.

The Governing Board shall notify members at least two (2) days prior to any special meeting.

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.

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 shall be sufficient to pass on all matters. All votes will be taken at a Pinnacle Library Cooperative Governing Board meeting. No substitutes or proxies shall be allowed to vote in the place of a Director or the designated alternate.

Section 9. Compensation

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

ARTICLE IV – Governing Board & Officers

Section 1. Officers

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 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 by the Governing Board.

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 2. Chair

The Chair shall be the executive officer of the Board and shall have general supervision of the group. The Chair shall approve 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 3. 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 4. 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 employee, 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; perform all the duties incident to the office of Treasurer and other duties as assigned to him/her by the Chair or by the Governing Board; and shall give a bond or government crime policy for the faithful discharge of his/her duties with such surety or sureties as the Governing Board shall determine, which shall be paid for by Pinnacle Library Cooperative.

Section 5. 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; and perform all duties incident to the office of Secretary; and other duties as 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.

Section 6. 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 7. Removal

Any officer elected or appointed by the Governing Board may be removed by a simple majority of Board Members whenever in its judgment the best interests of Pinnacle Library Cooperative would be served thereby.

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. Budget

The Governing Board shall facilitate the preparation of a draft of the Operating Budget by the end of the fiscal year. The Directors will review the budget and discuss it with the Member's Governing Body.

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.

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, electronic payments, or fund transfers issued in the name of Pinnacle Library Cooperative, shall be signed by officers 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 in a timely manner 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 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. An 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 within thirty (30) days of receipt of Pinnacle Library Cooperative's billing. Pinnacle Library Cooperative shall transmit annual billing statements to all Members.

Pinnacle Library Cooperative's annual billing statement to each Member shall include, but not be limited to, ILS costs, shared subscription services, 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 Federal Reserve fund rate may be charged to each Member which fails to pay its billing statements within thirty (30) days after receipt thereof.

Section 10. Financial Arrearages

In the event that a Member fails to timely pay its annual 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 may suspend the membership status of a Member and thereby deny computer services and database access to the Member, until payment is made in full. If the Member fails to make full payment within ninety (90) days after termination of services, the Governing Board may take other action as is necessary or appropriate, including litigation against the Member.

Section 11. Cost Sharing Formula

Expenses of the Pinnacle Library Cooperative will be divided amongst its members in accordance with the Pinnacle Cost Sharing formula:

- 50% of costs shared equally as a flat charge to each member library
- 50% of costs divided proportionally based on the total circulation by patron branch of physical materials from the previous calendar year.
- Costs for the shared OverDrive eContent collection will be divided proportionally based on the total circulation of OverDrive materials for each library. The OverDrive platform fee will be divided amongst members according to OverDrive's platform fee structure.

A member will not be charged for shared service platforms in which it does not participate. The service platform's costs will be divided amongst participating members following the Pinnacle Cost Sharing formula.

ARTICLE VI –COMMITTEES

The following committees are established: Circulation, Technical Services, Public Catalog, and Digital Collection. Other committees, task forces and forums may be established by the Governing Board as needed. The committees 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 committees are not appointed by the Governing Board and representatives from all Members may attend any of the committees or subcommittee meetings. The Cooperative's ILS Manager is an ex officio member of each group.

Agendas for all committee and subcommittee meetings will be sent electronically to all Members and will be posted on Pinnacle Library Cooperative's Intranet. Each committee shall elect a Chair from amongst its members to serve annually. Each member library shall appoint at least one representative to each committee.

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

The Technical Services Committee, PinTech, 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 Committee, PinOPAC, shall consider issues related to public access in Pinnacle Library Cooperative and make appropriate recommendations to the Governing Board.

The Digital Collection Committee, PinDigital, shall consider issues related to the shared eContent collection and make appropriate recommendations to the Governing Board. Committee members are also responsible for drafting an annual content budget and purchasing titles for the collection.

Other committees, task forces, and forums may be established by the Chair of the

Governing Board. The Chair shall appoint the members of such committees.

ARTICLE VII - RECORDS RETENTION

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. All books and records of Pinnacle Library Cooperative may be inspected by any Governing Board Member, or the agent or attorney thereof, for any proper purpose at any reasonable time.

ARTICLE VIII - SERVICES TO MEMBERS

The Pinnacle Library Cooperative provides its members with access and use of a shared ILS software system and other agreed upon services. The Governing Board of Pinnacle Library Cooperative shall take all necessary and appropriate actions to enable Pinnacle Library Cooperative to provide computer and automation services, including causing Pinnacle Library Cooperative to enter into one or more contracts with third parties for 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 unanimous approval from all Member Libraries;
- B. The new Member shall sign a copy of the Intergovernmental Agreement and 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 providing for the execution of the Intergovernmental Agreement and Bylaws and the signed Intergovernmental Agreement;
- C. The active membership of the new Member shall become effective on the date on which the new member signs all necessary paperwork;
- 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 the increase in costs; and
- E. Upon admission, new members shall be expected to provide funds to match their portion of the Cooperative's existing reserve funds according to the Pinnacle Library Cooperative Cost Sharing Formula.

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.

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, 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 commences. Upon the expiration of a three-year period, the term of participation of each 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 a Member gives written notice of its intention to cancel its participation in the Agreement as hereinafter provided.

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

- A. 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 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 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. The reinstated Member shall pay its share of the costs of new equipment and services purchased by Pinnacle Library Cooperative subsequent to the termination of the library's membership status, said share to be determined according to the policies of Pinnacle Library Cooperative as in effect at the time of 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 to Pinnacle Library Cooperative during the final year of the 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 the 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 the 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. The terminating Member shall have no right or interest in the financial assets of the Cooperative or the hardware or software 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 wrapping 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. The Member shall be given a written notice from the Governing Board requesting compliance. At the written request of the Member, the Governing Board will meet with such Member to discuss the failure to comply and the corrective action

- needed for compliance;
- B. Unless the 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 after such hearing, the full Governing Board may suspend the active membership status of the Member and thereby deny computer services and database access, until 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 the Member has not taken corrective action within ninety (90) days after termination of services, the Governing Board may take other action as it deems necessary or appropriate, including litigation against such Member.

ARTICLE XII – PUBLIC COMMENT RULES

The meetings of the Governing Board of the Pinnacle Library Cooperative are open to members of the public. Members of the public have a right to speak at all meetings of the Governing Board of the Pinnacle Library Cooperative. At each regular and special open meeting, members of the public may address the Governing Board subject to reasonable constraints.

Members of the public may address the Governing Board only at the appropriate times as indicated on the agenda and when recognized by the Governing Board Chair.

All members of the public shall address their comments to the Governing Board Chair. The Governing Board Chair may request that the appropriate member of the Governing Board or Staff respond to the comment at the appropriate time.

Comments by members of the public are limited to three minutes. Each member of the public may only speak once. A member of the public may not cede time to another member of the public.

Individuals are expected to identify themselves by full name.

The Governing Board Chair shall preserve order and decorum. The Governing Board Chair shall decide all questions of order.

When addressing the Governing Board, members of the public shall avoid personal remarks, the impugning of motives, and merely contentious statements. If any member of the public indulges in such remarks or otherwise engages in conduct injurious to the harmony of the Governing Board and the meeting, the Governing Board may immediately terminate the opportunity to speak. This decision is at the discretion of the Governing Board or upon affirmative vote of two-third (2/3rds) of the Governing Board present. Any person, except a member of the Governing Board, who engages in disorderly conduct during a meeting, may be ejected from the meeting upon motion passed by a majority of the Governing Board present.

Petitions or written correspondence to the Governing Board shall be presented to the

Board at the next regularly scheduled Board meeting.

Individuals may record the open portion of meetings. Recording shall not interfere with the overall decorum and proceedings of the meeting and shall not interfere with the rights of other individuals.

Individuals addressing the Governing Board shall adhere to all Pinnacle Library Cooperative policies.

The Governing Board shall have the authority to determine reasonable procedures regarding public participation not otherwise defined in Governing Board policy.

ARTICLE XIII - 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 the meeting.

ARTICLE XIV – 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:

Pinnacle Library Cooperative
c/o White Oak Library District
20670 Len Kubinski Dr
Crest Hill, IL 60403
Attention: Pinnacle Library Cooperative Chair

ARTICLE XV – 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, 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.

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