

BY-LAWS
of
South Dakota Bankers Foundation

Article I

Name and Purposes

The name of this corporation is South Dakota Bankers Foundation, and the purposes for which it was formed are stated in the Articles of Incorporation.

Article II

Members

Contributors to this Foundation are its members, and their contributions shall be acknowledged by a receipt or appropriate certificate and carry such membership privileges as may be determined by the Board of Directors from time to time. The Foundation reserves the absolute and unqualified right to reject and return any contribution.

1. The members of this Foundation are those banks which are members of the South Dakota Bankers Association.
2. The Foundation reserves the absolute and unqualified right to reject and return any contribution.

Article III

Directors

1. The affairs of this Foundation shall be managed by a Board of Directors. The number of Directors shall be established by resolution of the Board, provided that the number of Directors shall not be less than six. All of the Directors shall be appointed by the Board of Directors of the South Dakota Bankers Association, Inc.

The President of the South Dakota Bankers Association, Inc. and his successor in office, and the Dean of the School of Business at the University of South Dakota, Vermillion, South Dakota, and his successor in office, shall be Directors of this Foundation with terms of indefinite length. Otherwise, three of the remaining Directors must be selected from executive officers of banks which are voting members of the South Dakota Bankers Association, Inc. The remaining directorship may be selected from the public at large, and without restriction.

2. Directors shall hold office for a term of four years (excepting for the directorships of indefinite term), and shall continue to serve until their successors are selected and qualified. Directors may serve not more than two (2) consecutive terms.

3. In the event a vacancy occurs, the Board of Directors of the South Dakota Bankers Association, Inc., shall select a successor to complete the term of vacancy. Thereafter that director may also serve two consecutive four year terms.
4. Directors shall serve without salary or other compensation, but, by resolution of the Board may be allowed expenses of attending meetings. Nothing herein contained shall be construed to preclude any director from serving the corporation in the capacity of an officer, agent or otherwise, receiving compensation therefor.
5. Meetings of the Board of Directors may occur at such time and at such places as the directors deem appropriate. The Chairman may call a special meeting of the directors for any purpose upon notice given three days in advance of the meeting; said notice need not contain any statement of the business to be transacted except where the meeting is called to consider or vote on amendments to the Articles of Incorporation or by the By-Laws.
6. A quorum of the Board shall be majority of the Board.

Article IV

Meetings of Members

1. There shall be an annual meeting of the Foundation. The annual meeting of the members of the Foundation shall occur at such time as the Board may from time to time determine. Written notice shall be provided the members of such meeting at least ten days in advance.

There shall be an annual meeting of the Foundation. The annual meeting of the members of the Foundation shall occur at such time as the Board may from time to time determine. Notice of the annual meeting shall be given to the members by a display advertisement to be contained in the South Dakota Bankers Association newsletter which is distributed to the members of the South Dakota Bankers Association not less than ten days before the date of the annual meeting, and, notice thereof, if any, to the Associate Members may be given as may be from time to time required by the Board of Directors.

2. A special meeting of the members may be called at any time by the majority vote of the Board of Directors or by the Chairman of the Board. Notice for such meeting shall be the same as that required for the annual meeting.

A special meeting of the members may be called at any time by the majority vote of the Board of Directors or by the Chairman of the Board. Notice for such meeting shall be given not less than ten days prior to the special meeting, by mailing written notice of the meeting to the proper Members, by depositing the same in a post office box in a sealed post-paid envelope, addressed to the Member at the last known post office address of that Member as known to the Foundation, and such notice deemed under these By-Laws may also be waived by the Member entitled to receive such notice.

Article V

Officers

1. John L. Lillibridge, a Director named in the Articles of Incorporation, shall be the first Chairman of this Foundation. He shall serve as Chairman for three years.

Thereafter the Board of Directors of this Foundation shall elect from among its members a Chairman. The Chairman shall be elected for such term as the Directors may by Resolution determine.

2. The election of the Chairman shall occur at the annual meeting of the Foundation. The Chairman shall serve until his successor is elected and qualified. Upon the occurrence of a vacancy in the office of Chairman, the Board of Directors of this Foundation may appoint a member to fill such office for the remainder of the original term. Such appointment may be made at a special meeting of the Directors called for that purpose or any other legitimate Foundation purpose. The Board of Directors shall be empowered to create such subsidiary offices as in their discretion are from time to time needed or otherwise required.
3. The Executive Director of the South Dakota Bankers Foundation, Inc. shall be the Secretary of this Foundation. The Dean of the School of Business at the University of South Dakota at Vermillion, South Dakota, shall be the Treasurer of this Foundation. Either may serve without the necessity of posting bond or surety.
4. The Chairman shall be the chief executive of the Foundation responsible for all management functions. He shall manage and direct all activities of the Foundation as prescribed by the Board of Directors and be responsible to the Board. He shall employ and may terminate the employment of members of the staff necessary to carry on the work of the Foundation and fix their compensation within the approved budget. As Chairman, he shall define the duties of the staff, supervise their performance, establish their titles, and delegate those responsibilities of management as shall, in his judgment, be in the best interests of the Foundation.

Also, the Chairman shall be the chief executive officer of the corporation and shall preside at all meeting of the Board of Directors. The Chairman shall see that all orders and resolutions of the Board of Directors are carried into effect. The Chairman may execute all contracts, deeds, certificates, bonds, or other obligations authorized by the Board and sign certificates of stock and records or certificates required by law or by orders of the Board of Directors. The Chairman shall perform such other duties as may from time to time be prescribed by the Board of Directors. Such duties as noted above may be delegated in the discretion of the Board of Directors.

The Chairman shall be responsible to file an informative report about the affairs of this Foundation with the South Dakota Bankers Association, Inc. on an annual basis. The report shall be filed with the President of the South Dakota Bankers Association, Inc., at least fifteen (15) days prior to that corporation's annual meeting.

5. The Secretary shall attend all meetings of the Board of Directors, and shall record the minutes of such meetings, in books provided for that purpose. He shall attend to the giving and serving of all notices of the Corporation. He shall be the custodian for all papers brought before the Board of Directors for action or on file; also of all written contracts, deeds, insurance policies, leases, records and evidences of title to real estate and other property (except moneyed securities) owned, held, or controlled by the corporation. He shall have the custody of the corporate seal, and shall affix and attest the same when authorized by any officer, the Board of Directors or a committee thereof.
6. The Treasurer shall keep full accurate account of all receipts and disbursements in the books of the Foundation and shall deposit all monies and other valuable effects in the name and to the credit of the corporation in such depositories as may be designated by the Board of Directors. He shall have authority to receive and give receipts for all monies due and payable to the corporation and from any source whatsoever and to give full discharge for the same, and to endorse for deposit on behalf of the corporation all checks, drafts, notes, warrants, orders and other papers requiring endorsement. He shall disburse the monies of the corporation under the discretion of the Board of Directors. He may, in the discretion of the directors, be required to give a bond in any amount satisfactory to the Board for the faithful performance of the duties of his office and for the restoration to the corporation in case of his death, resignation or removal from office of all books, papers, vouchers, money or other property of whatever kind in his possession, belonging to the corporation. He shall prepare annually, and oftener if so requested by the Board of Directors, a full statement of the finances of the corporation. He shall perform such other duties as may be conferred upon him by the Board of Directors. The Board of Directors may appoint the president or other officer to hold the office of treasurer concurrently.

Article VI

Miscellaneous

1. The fiscal year of the Foundation shall be a period of time commencing May 1 and ending April 30.
2. All checks, drafts, or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation shall be signed by such officer or officers, agent or agents of the corporation, and in such manner as shall from time to time be determined by resolution of the Board of Directors.
3. The accounts of the Foundation shall be audited annually. The accounts may be audited, as part of a co-mingled account with another Foundation, or for another purpose, as the Board of Directors may from time to time in their sole discretion alone determine.
4. Voting on all matters, including the election of directors, and officers, may be conducted by mail.
5. All Directors and Officers of this Foundation will initially be appointed to their office by name as is provided in the Articles of Incorporation. For the purpose of clarity, their

respective term of offices shall be deemed to commence on the May 1 next following receipt by this corporation of affirmative advice from the Internal Revenue Service advising that this corporation has in fact been granted its 501(c)(3) tax exempt status. However, by Resolution of the Board of Directors of this corporation, the length of that initial term may be appropriately modified, as the Board of Directors may in its collective discretion hereafter determine.

Article VII

Amendments

1. The directors, by a majority vote thereof, may at any meeting, provided the substance of the proposed amendment shall have been stated in the notice of the meeting, amend or alter any of these By-Laws.

The above and foregoing By-Laws comprising Articles I through VII inclusive were duly adopted at the initial meeting of the Directors of the South Dakota Bankers Foundation on May 11, 1984. (As amended August, 1999)

Secretary