

BETTER GOVERNMENT ASSOCIATION, INC.

BY-LAWS

(restated December 28, 2010)

ARTICLE I

IDENTIFICATION

Section 1. Name. The name of the corporation is Better Government Association, Inc. (the “Corporation”).

Section 2. Mission. The mission of the Corporation is:

(a) To educate the public about waste, inefficiencies and corruption in government by acting as a watchdog agency uncovering and exposing this type of activity (The presentation of this information to the public may be through forums, panels and lectures, or through newspapers, radio and TV shows.);

(b) To promote respect for the law; and

(c) To support public officials in the rightful performance of their duties. The Corporation shall not participate in, or intervene in any political campaign on behalf of any candidate for public office, including the rating or endorsement of candidates.

Section 3. Gender. The use of the masculine gender herein shall be deemed to include the feminine.

ARTICLE II

CORPORATE OFFICES

Section 1. Illinois registered office. The registered office of the Corporation in the State of Illinois may be, but need not be, identical with the principal office of the Corporation in the State of Illinois, and the address of the registered office may be changed from time to time by the Board of Directors.

Section 2. Other offices. The Corporation may also have offices at such other places as the Board of Directors may from time to time determine.

ARTICLE III

MEMBERS

The Corporation shall have no members.

ARTICLE IV

DIRECTORS

Section 1. General powers. The affairs and general business of the Corporation shall be managed by a board established in accordance with Section 2 of this Article IV (the “Board of Directors”).

Section 2. Number, classes, tenure and qualifications. The Board of Directors shall be comprised of not less than thirty-five (35) nor more than forty (40) persons, and within those limits the number of directors may be fixed from time to time by the Board of Directors. Directors shall be elected by the Board of Directors and shall hold office for a three-year term or until his or her successor shall have been elected and qualified. The Board of Directors shall be divided into three classes, each class to be as nearly equal in number of directors as possible to all other classes and to have a staggered term as provided in the following sentence. At each annual meeting, the number of directors equal to the number of the class whose term expires at the time of such meeting shall be elected to hold office until the third succeeding annual meeting, so that the term of office of one class of directors shall expire in each year. When the number of elected directors is changed, any newly created directorships or any decrease in directorships shall be apportioned among the classes so as to make them as nearly equal in number as possible. A person elected by the Board of Directors to fill a vacancy created by the death or resignation of a director shall serve in the class and for the unexpired term of such director. A person elected by the Board of Directors to fill a vacancy created by an increase in the number of directorships shall serve until the next annual meeting of the Board of Directors or until the expiration of the term for which he or she was appointed. No director who has served for three consecutive full three-year terms shall be reelected for the immediately ensuing term and may not be re-elected or appointed until the next annual meeting of the Board of Directors.

Section 3. Annual and regular meetings. A regular annual meeting of the Board of Directors shall be held on a day between April 1 and October 1 in each calendar year, with the exact date being fixed by the Executive Committee, for the purpose of electing directors and officers and for the transaction of such other business as may properly be brought before the meeting. The Executive Committee shall provide by resolution the time and place for the holding of additional regular meetings of the Board of Directors. Such regular meetings shall be held not less frequently than quarterly.

Section 4. Special meetings. Special meetings of the Board of Directors may be called by the Chairman and shall be called by the Chairman or Secretary on the written request of not less than three directors.

Section 5. Notice. Notice of any annual or regular meeting of the Board of Directors shall be given at least five (5) days before the meeting, and notice of any special meeting shall be given at least two (2) days before the meeting by written notice delivered personally, mailed to each director at his or her address shown on the records of the Corporation or transmitted by electronic means to the e-mail address, facsimile number or other contact information appearing on the records of the Corporation for each director entitled to such notice, except that no meeting of the Board of Directors may remove a director unless written notice of the proposed removal is

delivered to all directors at least twenty (20) days prior to such meeting. If mailed, a notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. If sent by facsimile, a notice shall be deemed delivered when the facsimile is sent and confirmation is received. If sent by other electronic means, a notice shall be deemed to be delivered when the electronic message is sent. Any director may waive notice of any meeting in writing either before or after the time of the meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Except as otherwise provided by this Section 5, neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

Section 6. Quorum. One-third of the number of the directors then in office shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. If a quorum of directors is not present at a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

Section 7. Manner of Action. Except as otherwise provided by the articles of incorporation or these by-laws, the act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 8. Vacancies; Removal; Resignation. Any vacancy occurring on the Board of Directors and any directorship to be filled by reason of an increase in the number of directors may be filled by the Board of Directors. A person elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office. A director may be removed at any time, with or without cause, by the Board of Directors acting in the best interests of the Corporation as determined by the Board of Directors in its sole discretion, but only upon the approval of two-thirds of the directors then in office. A director may resign at any time by delivering his or her written resignation to the Chairman or Secretary. A resignation need not be accepted to be effective.

Section 8. Informal action by directors. Unless specifically prohibited by the articles of incorporation or these by-laws, any action required to be taken at a meeting of the Board of Directors, or any other action that may be taken at a meeting of the Board of Directors or any committee thereof, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all the directors entitled to vote with respect to the subject matter thereof, or by all the members of such committee, as the case may be. Any such consent signed by all the directors or all the members of a committee shall have the same effect as an unanimous vote of the Board of Directors, and may be stated as such in any document filed with the Illinois Secretary of State.

ARTICLE V
COMMITTEES

Section 1. Standing committees. The Board of Directors shall have the following standing committees:

Executive Committee
Budget and Finance Committee
Development and Marketing Committee
Investigation Committee
Legal Committee
Public Policy Committee
Committee on Trusteeship

Section 2. Executive Committee. The Executive Committee shall consist of all of the officers of the Corporation and the chairs of all standing committees. The Executive Committee shall have and may exercise all the authority of the Board of Directors in the management of the Corporation, except as limited by the Illinois General Not for Profit Corporation Act of 1986, as amended. A majority of the members of the Executive Committee shall constitute a quorum for the transaction of business. The Executive Committee shall meet on a periodic basis .

Section 3. Budget and Finance Committee. The Budget and Finance Committee shall be responsible for the development of the annual budget of the Corporation, subject to the approval of the Board of Directors. The Budget and Finance Committee also shall oversee the tracking and monitoring of funds of the Corporation and the development of proper accountability metrics. A subcommittee of the budget and finance committee shall serve as the audit committee of the Corporation.

Section 4. Development and Marketing Committee. The Development and Marketing Committee shall oversee the implementation of the fundraising and marketing initiatives of the Corporation, aid directors and volunteers in cultivating and soliciting support of the Corporation and oversee donor stewardship efforts.

Section 5. Investigation Committee. The Investigation Committee shall oversee the investigative endeavors of the Corporation.

Section 6. Legal Committee. The Legal Committee shall evaluate and make recommendations concerning legal issues and procedures of the Corporation.

Section 7. Public Policy Committee. The Public Policy Committee shall oversee the involvement of the Board of Directors and its stance on policy issues and shall remand policy formulations to the Board of Directors for its consideration.

Section 8. Committee on Trusteeship. The Committee on Trusteeship shall consist of between four (4) and six (6) directors. The Committee on Trusteeship shall act as the nominating committee of the Board of Directors and shall provide a slate of Board of Directors and officer candidates to the Board of Directors for consideration at the annual meeting of the

Board of Directors. The Committee on Trusteeship also shall work towards effective Board of Directors processes, structure and roles; shall be responsible for maintaining director performance profiles and conducting annual evaluation of Board of Directors performance; shall nominate individuals for Life Director status; and shall be responsible for Board of Directors education and training. The Committee on Trusteeship shall develop the expectations of directors and their responsibilities, for consideration and approval by the Board of Directors.

Section 9. Standing committees. The members of the standing committees shall be appointed by the Chairman, subject to approval by the Board of Directors and shall serve at the pleasure of the Board of Directors. A majority of the members of each standing committee (other than the Executive Committee and the Committee on Trusteeship) and the chairman of each standing committee shall be members of the Board of Directors. Each standing committee shall consist of at least two (2) persons. Each standing committee shall have such authority and responsibilities as shall be set forth in the charter of that committee as adopted by the Executive Committee and not restricted by law. Each standing committee may create subcommittees and appoint the members thereof.

Section 10. Other committees. The Board of Directors may from time to time establish such other advisory committees or bodies as it shall determine, the members of which shall be appointed by the Chairman, subject to approval by the Board of Directors.

ARTICLE VI

LIFE TRUSTEES

Section 1. Election and tenure. The Board of Directors may from time to time elect Life Trustees. Life Trustees shall serve for life, at the pleasure of the Board of Directors. Life Trustees may not act on behalf of the Corporation or bind it to any action, except as authorized by the Board of Directors.

Section 2. Participation in the meetings. Life Trustees may attend and participate in meetings of the Board of Directors but shall not be members of the Board of Directors and shall not have the privilege of voting or of holding any office that is required to be held by a member of the Board of Directors. Life Trustees shall not be counted at meetings of the Board of Directors in determining the number of directors required to constitute a quorum nor in determining the presence of a quorum.

Section 3. Committee membership. Life Trustees may serve on all committees of the Corporation except the Executive Committee and the Committee on Trusteeship and may not serve as chairman of any standing committee.

ARTICLE VII

OFFICERS

Section 1. Officers. The Board of Directors at its annual meeting shall elect the officers of the Corporation, who shall consist of Chairman, not more than two (2) Vice Chairmen (the number thereof to be determined by the Board of Directors), Secretary, Treasurer, and, at the

discretion of the Board of Directors, an Assistant Secretary and an Assistant Treasurer. Any two or more offices may be held by the same person.

Section 2. Term of office and vacancy. Each officer shall hold his office for a two-year term or until his successor is elected and qualified or until his earlier resignation or removal. The Board of Directors may reelect an officer for an additional two-year term for the same position, but only upon the approval of at least two-thirds of the directors present at the meeting where such election is considered. Any vacancy occurring in any office of the Corporation shall be filled by the Board of Directors for the unexpired portion of the term. Election or appointment of an officer or agent shall not of itself create contract rights.

Section 3. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed, with or without cause, by the Board of Directors whenever in its judgment the best interests of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

Section 4. Chairman. The Chairman shall preside at all meetings of the Board of Directors and of the Executive Committee. The Chairman shall have the power to execute all documents that the Board of Directors has authorized to be executed on behalf of the Corporation, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these by-laws to some other officer or agent of the Corporation, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of Chairman and such other duties as the Board of Directors may from time to time prescribe.

Section 5. Vice Chairman. In the absence of the Chairman or in the event of his inability or refusal to act, the Vice Chairman (or in the event there shall be more than one Vice Chairman, the Vice Chairmen in the order designated by the Board of Directors) shall perform the duties of the Chairman, and when so acting shall have all the powers of and be subject to all the restrictions upon the Chairman. Any Vice Chairman shall perform such other duties and have such other powers as the Board of Directors or the Chairman may from time to time prescribe.

Section 6. Secretary. The Secretary shall (a) record, or cause to be recorded, all the proceedings of the meetings of the Board of Directors in a book to be kept for that purpose and shall perform like duties for the standing committees when required; (b) assure that all notices are duly given in accordance with the provisions of these by-laws or as otherwise required by law; (c) be custodian of the corporate records and of the seal of the Corporation; (d) certify the by-laws, resolutions of the Board of Directors and committees thereof, and other documents of the Corporation as true and correct copies thereof; and (e) in general perform, or delegate and cause to be performed, all duties incident to the office of Secretary and such other duties and have such other powers as the Board of Directors or the Chairman may from time to time prescribe.

Section 7. Assistant Secretary. In the absence of the Secretary or in the event of his inability or refusal to act, the Assistant Secretary, if appointed by the Board of Directors, shall perform, or cause to be performed, the duties and exercise the powers of the Secretary and shall

perform, or cause to be performed, such other duties and have such other powers as the Board of Directors, the Chairman or the Secretary may from time to time prescribe.

Section 8. Treasurer. The Treasurer shall receive and disburse, or cause to be received and disbursed, the funds of the Corporation under the direction of the Board of Directors. The Treasurer shall keep the accounts of the Corporation in books belonging to the Corporation, which shall be open at all times to the inspection by the Board of Directors, and the Treasurer shall report upon the financial condition of the Corporation annually to the Board of Directors at a time and place designated by the Board of Directors. The Treasurer shall deposit and keep in the name of the Corporation all monies and securities of the Corporation in a bank or banks or depositories as selected by the Board of Directors from time to time. All checks and drafts of the Corporation drawn against its account in any bank or depository shall be signed by the Chairman or a Vice Chairman and shall be countersigned by the Treasurer or Assistant Treasurer, unless otherwise specified by the Board of Directors. The Treasurer shall perform, or cause to be performed, such other duties and have such other powers as the Board of Directors may from time to time prescribe.

Section 9. Assistant treasurer. In the absence of the Treasurer or in the event of his or her inability or refusal to act, the Assistant Treasurer, if appointed by the Board of Directors, shall perform the duties and exercise the powers of the Treasurer and shall perform such other duties and have such other powers as the Board of Directors, the Chairman or the Treasurer may from time to time prescribe.

ARTICLE VIII

INDEMNIFICATION

Section 1. The Corporation shall indemnify and defend any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he or she is or was a director or officer of the Corporation, or by reason of the fact that he or she is or was serving at the request of the Corporation as a Life Trustee, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

Section 2. The Corporation shall indemnify and defend any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that such

person is or was a director or officer of the Corporation, or by reason of the fact that he or she is or was serving at the request of the Corporation as a Life Trustee, against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence, fraudulent, dishonest or criminal acts, or misconduct in the performance of his or her duty to the Corporation unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite that adjudication of liability but in view of all the circumstances of the case, such director or officer is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

Section 3. In the event that a third party files a lawsuit, enforcement action or other proceeding against a person entitled to indemnification under this Article VIII (an "Indemnified Party"), or the Indemnified Party receives written notice of, or becomes aware of a condition or event which otherwise entitles such person to the benefit of indemnity hereunder, the Indemnified Party shall give written notice thereof to the Corporation within ten (10) business days of his or her first knowledge of the threatened, pending or completed action or suit. Notwithstanding the foregoing, failure by an Indemnified Party to provide notice on a timely basis shall not relieve the Corporation of its obligations hereunder, unless, and then solely to the extent that, the Corporation is prejudiced thereby.

Section 4. Any indemnification under Sections 1 and 2 of this Article VIII (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the director, officer or Life Trustee is proper in the circumstances because such person has met the applicable standard of conduct set forth in Sections 1 or 2. Such determination shall be made (1) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (2) if such a quorum is not obtainable, or, even if obtainable but a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (3) by the members entitled to vote.

Section 5. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding, as authorized by the board of directors in the specific case, upon receipt of an undertaking by or on behalf of the director, officer, or employee to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the Corporation as authorized in this Article VIII.

Section 6. The indemnification provided by this Article VIII shall not be deemed exclusive of any other rights to which a director or officer seeking indemnification may be entitled under any statute, provision in the Corporation's articles of incorporation, by-law, agreement, vote of members or disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors and administrators of such a person.

Section 7. The Corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another Corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify such person against such liability under the provisions of this Article VIII.

Section 8. The invalidity or unenforceability of any provision in this Article VIII shall not affect the validity or enforceability of the remaining provisions of this Article VIII.

ARTICLE IX

CONTRACTS, LOANS, CHECKS AND DEPOSITS

Section 1. Contracts. The Board of Directors may authorize any officer, officers, agent or agents to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

Section 3. 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 the Corporation, shall be signed by such officer, officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by the Board of Directors.

Section 4. Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may from time to time select.

ARTICLE X

GENERAL PROVISIONS

Section 1. Waiver of notice. Whenever any notice whatever is required to be given under the provisions of these by-laws or under the provisions of the articles of incorporation or under the provisions of the Illinois General Not for Profit Corporation Act of 1986, as amended, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

Section 2. Books and Records. The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of the Board of Directors and committees having any of the authority of the Board of Directors, and shall keep at the registered or principal office a record giving the names and addresses of the Board of Directors. All books and records of the Corporation may be inspected by any Director entitled to vote, or his or her agent or attorney, for any proper purpose at any reasonable time.

Section 3. Fiscal year. The fiscal year of the Corporation shall end on December 31 of each calendar year.

Section 4. Seal. The corporate seal shall have inscribed therein the name of the Corporation, the words “An Illinois Non-profit Corporation” and the words “Corporate Seal, Illinois.” The seal may be used by causing it, or a facsimile thereof, to be impressed or affixed or in any other manner reproduced.

Section 5. Severability. If any portion or provision of these by-laws shall for any reason be held by a court of competent jurisdiction to be invalid or unenforceable, the remaining portions or provisions hereof shall nevertheless remain in full force and effect, as if such unenforceable portion of provision had never been a part hereof.

Section 6. Governing Law. These by-laws shall be governed by and construed in accordance with the laws of the State of Illinois without regard to conflicts of laws principles.

ARTICLE XI

DISSOLUTION

Upon the dissolution of the Corporation, any assets remaining after paying or providing for all debts and obligations of the Corporation shall be distributed for one or more exempt purposes within the Code, or the corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by a court of competent jurisdiction 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.

ARTICLE XII

AMENDMENTS

These by-laws may be altered, amended or repealed and new by-laws may be adopted at any meeting of the Board of Directors, properly convened and where the quorum is present, by the affirmative vote of two-thirds of the directors present at such meeting.