

BYLAWS  
OF  
THE MINNESOTA CENTER FOR MINERAL RESOURCE EDUCATION

ARTICLE I – NAME AND PURPOSE

*Section 1 – Name:* The name of the corporation shall be THE MINNESOTA CENTER FOR MINERAL RESOURCE EDUCATION (the Corporation). It shall be a nonprofit corporation incorporated under the laws of the State of Minnesota.

*Section 2 – Purpose:* The Minnesota Center for Mineral Resource Education is organized exclusively for charitable, scientific and educational purposes as specified in Section 501(c)(3) of the Internal Revenue Code, including for such purposes, the making of distributions to corporations that qualify as exempt corporations under Section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

The purpose of The Minnesota Center for Mineral Resource Education is: to promote awareness of the positive contribution that mineral resources make to the Minnesota way of life, principally by providing teacher education in mineral resources, including in the geology, exploration, development, extraction uses, reclamation, conservation and economics of such mineral resources; and to give support for the development and implementation of curricula for teaching about mineral resources at the K-12 level of education.

ARTICLE II – MEMBERSHIP

*Section 1 – Membership:* There shall be no members of this Corporation. The management of the affairs of the Corporation shall be vested in the Board of Directors.

ARTICLE III – BOARD OF DIRECTORS

*Section 1 – Board role, size, composition and compensation:* The Board of Directors is responsible for overall policy and direction of the association and delegates responsibility of day-to-day operations to the staff and committees. The Board shall have up to nine (9) but not fewer than six (6) Directors. At least two Directors each shall be chosen from each of the following groups:

- a. Professional associations in the geological, mineral resource, and educational fields;
- b. Mineral producers, mineral exploration companies, and mineral fee owners, including associations representing those groups;
- c. Education and state agencies.

Directors shall receive no compensation other than reasonable expenses.

*Section 2 - Ex Officio members:* The Board may designate non-voting *ex officio* members as it may determine by two-thirds majority of the board.

*Section 3 – Terms:* All Directors shall serve three- year terms, and are eligible for re-election for no more than one additional consecutive term and thereafter may not be re-elected for a period of at least one year. Terms shall be staggered as determined by the Board.

*Section 4 – Meetings and notice:* The Board shall meet at least quarterly, at an agreed on time and place. An official board meeting requires that each Director have written notice by mail, fax or e-mail at least two weeks in advance.

*Section 5 – Board elections:* During the last quarter of each fiscal year of the corporation, the Board shall elect Directors to replace those whose terms expire at the end of the fiscal year. The election shall take place during a regular meeting of the Board, called in accordance with the provisions of these Bylaws.

*Section 6 – Election procedures:* New Directors shall be elected by a majority of Directors present at such meeting, provided there is a quorum present. Directors so elected shall serve a term beginning on the first day of the next fiscal year.

*Section 7 – Quorum:* A quorum must be attended by at least one-third (1/3) of the Directors currently holding office for business transactions to take place and motions to pass.

*Section 8 – Officers and duties:* The Directors shall appoint a Chair and a minimum of three Vice Chairs each of whom will serve as follows:

*The Chair* shall serve for a maximum term of three years and cannot immediately succeed him or herself. The Chair shall convene regularly scheduled board meetings and shall preside or arrange for other members of the executive committee to preside at each meeting of the Board in the following order: Vice Chair – Administration; Vice Chair – Operations; Vice Chair -- Finance.

*The Vice Chairs* shall each serve for a maximum term of three years.

*The Vice Chair – Administration/Treasurer* shall be responsible for receiving and keeping distributing funds, maintaining books and records, file necessary tax returns and make other such filings as are necessary.

*The Vice Chair – Operations/Secretary* shall recruit instructors and team members, organize the program for each workshop, select the location, determine the content, provide certificates and academic credit for attendees.

*The Vice Chair – Finance* will solicit contributions of cash or in kind to finance the workshops.

The Board of Directors may create other offices as needed.

*Section 9 – Vacancies:* When a vacancy on the Board of Directors exists mid-term, the Chair must receive nominations for new Directors from present Directors two weeks in advance of a Board meeting. These nominations shall be sent out to Directors with the regular meeting announcement, to be voted upon at the next Board of Directors meeting. These vacancies will be filled only to the end of the particular Director's term.

*Section 10 – Resignation, termination, and absences:* Resignation from the Board of Directors must be in writing and received by the Chair. Any resignation shall be effective on the date received. A Director shall be terminated from the Board of Directors due to excessive absences as determined by the Board of Directors. A Director may be removed for other reasons by a three-fourths vote of the remaining Directors.

*Section 11 – Special meetings:* Special meetings of the Board of Directors shall be called upon the request of the Chair or one-third (1/3) of the Board. Notices of special meetings shall be sent out by the Chair to each Director at least ten (10) business days in advance.

*Section 12 -- Conflicts of Interest:* A contract or transaction between the Corporation and one or more Directors or between the corporation and any other corporation, partnership, association, or other corporation in which one or more Directors are directors or officers, or have a financial interest, shall not be void or voidable solely for such reason, or solely because the conflicted or interested Director is present at or participates in a the meeting of the Board which authorizes the contract or at which the transaction is authorized, or solely because his, her or their votes are counted for that purpose, if: (i) the material facts as to the relationship or interest and as to the contract or transaction are disclosed or are known to the Board and the Board in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested Directors even though the disinterested Directors are less than a quorum; or (ii) the contract or transaction is fair as to the corporation as of the time that it is authorized, approved, or ratified by the Board. Conflicted or interested Directors may be counted in determining the presence of a quorum at a meeting of the Board which authorizes the contract or transaction. The Board may adopt a Conflicts of Interest policy which may be incorporated as an addendum to these Bylaws, in which case the provisions of that policy shall be controlling.

*Section 13 -- Indemnification:* The Corporation shall indemnify any Director who is or is threatened to be made a party to any proceeding, including but not limited to any threatened, pending, or completed action whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Corporation) by reason of the fact that such a person was or is an authorized representative of the

Corporation against expenses (including reasonable attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by such Director in connection with such action or proceeding if such person acted in good faith and in a manner such Director reasonably believed to be in, or not opposed to, the best interests of the Corporation and, with respect to any criminal proceeding, had no reasonable cause to believe that such Director's conduct was unlawful. The Corporation may advance expenses on behalf of any such Director, and may maintain insurance or other fund or account or use any other mechanism or arrangement as security for its indemnification obligations under this section. The indemnification and advancement of expenses provided under this section shall continue as to any person who has ceased to be a Director and shall inure to the benefit of heirs, executors, and administrators of any such former Director.

#### ARTICLE IV – COMMITTEES

*Section 1 – Committee formation:* The Board may create committees as needed. The Chair shall appoint all committee chairs.

*Section 2 – Executive Committee:* The Chair and the three Vice Chairs shall serve as the members of the Executive Committee. Except for the power to amend the Articles of Incorporation and these Bylaws, the Executive Committee shall have all the powers and authority of the Board in the intervals between meetings of the Board, and is subject to the direction and control of the full Board. The Executive Committee shall, by no later than January 31 of each year, present to the full Board a detailed plan and budget for the operation of that year's workshop for the Board's consideration and modification or approval.

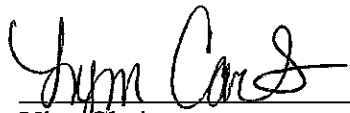
*Section 3 – Standing Committees:* There will be two standing committees: The Operations Committee and the Finance Committee. The Operations Committee shall be headed by the Vice Chair, Operations/Secretary. The Finance Committee shall be headed by the Vice Chair, Finance.

#### ARTICLE VI – AMENDMENTS

*Section 1 – Amendments:* These Bylaws may be amended when necessary by two-thirds majority of the board. Proposed amendments must be submitted to the secretary and sent out with regular board announcements.

#### CERTIFICATION

These Bylaws were approved at a meeting of the Board of Directors by a two-thirds majority vote on September 18, 2009.

  
\_\_\_\_\_  
Vice Chair

Date: 9/18, 2009

Addendum to Bylaws  
Of  
THE MINNESOTA CENTER FOR MINERAL RESOURCE EDUCATION

Conflicts of Interest Policy

This Addendum to Bylaws of THE MINNESOTA CENTER FOR MINERAL RESOURCE EDUCATION is hereby adopted effective as of 9, 18, 2009.

Article I  
Purpose

The purpose of the conflict of interest policy is to protect this tax-exempt organization's (Organization) interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Article II  
Definitions

1. *Interested Person.* Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.
  
2. *Financial Interest.* A person has a financial interest if the person has, directly or indirectly, through business, investment, or family: (a) An ownership or investment interest in any entity with which the Organization has a transaction or arrangement; (b) A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement; or (c) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. Under Article 3, Section 2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Article III  
Procedures

1. **Duty to Disclose.** In connection with any actual or possible conflict of interest, an Interested Person must disclose the existence of the Financial Interest and be given the opportunity to disclose all material facts to the directors and members of committee with governing board delegated powers considering the proposed transaction or arrangement.

2. **Determining Whether a Conflict of Interest Exists.** After disclosure of the financial interest and all material facts, and after any discussion with the Interested Person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

3. **Procedures for Addressing the Conflict of Interest.**

- a. An Interested Person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- c. After exercising due diligence, the governing board or committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

4. **Violations of the Conflicts of Interest Policy.**

- a. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

The minutes of the governing board and all committees with board delegated powers shall contain: (i) The names of the persons who disclosed or otherwise were found to have a Financial Interest in connection with an actual or possible conflict of interest, the nature of the Financial Interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed; and (ii) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

#### Article V Compensation

1. A voting member of the governing body who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
2. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
3. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, is prohibited from providing information to any committee regarding compensation.

#### Article VI Annual Statements

Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person: (i) Has received a copy of the conflicts of interest policy; (ii) has read and understands the policy; (iii) Has agreed to comply with the policy; and (iv) Understands the Organization is charitable and in order to maintain its federal tax exempt status it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

#### Article VII Periodic Reviews

To ensure the Organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic review shall be conducted. The periodic reviews shall, at a minimum, include the following subjects: (i) Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining; and (ii) Whether partnerships, joint ventures, and arrangements with management organizations conform



to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods or services, further charitable purposes, and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Article VIII  
Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

CERTIFICATION

This Addendum to Bylaws was approved at a meeting of the Board by a majority vote of the Directors entitled to vote on 9, 18, 2009.

  
Secretary

Date: 9/18, 2009