

**BYLAWS  
OF  
WISCONSIN CENTER DISTRICT**

(Eff. March 22, 2019)

# **BYLAWS OF WISCONSIN CENTER DISTRICT**

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## **ARTICLE I. PURPOSE**

1.01. General. The Wisconsin Center District (the “District”) is a special purpose District created as a body corporate and politic by the City of Milwaukee pursuant to the provisions of Sections 229.42, Wisconsin Statutes. The District shall be a separate unit of government distinct from the City of Milwaukee and the State of Wisconsin and shall have all of the powers granted to it by Section 229.44, Wisconsin Statutes. The District shall acquire, construct, equip, maintain, improve, operate and manage the exposition center and exposition center facilities, or engage other persons to do these things. In addition, the District shall acquire, construct, and equip the sports and entertainment arena and sports and entertainment arena facilities, or engage other persons to do these things. The District is a governmental body and shall comply with all applicable provisions of Chapter 19, Wisconsin Statutes as may relate to the District, its Directors, officers or employees.

## **ARTICLE II. OFFICES**

2.01. Principal and Business Offices. The principal office of the District shall be located in Milwaukee, Wisconsin. The District may have such other business offices, within or without the City of Milwaukee, as the Board may designate or as the business of the District may require from time to time.

## **ARTICLE III. MEMBERS**

3.01. The District shall have no members.

## **ARTICLE IV. BOARD OF DIRECTORS**

4.01. General Powers. The business and affairs of the District shall be managed by a Board of Directors (the “Board”).

4.02. Appointment. The Board shall consist of seventeen (17) Directors who shall be qualified and appointed as follows:

- (a) Two (2) Directors, who shall be residents of the City of Milwaukee and primarily employees or officers of a private sector entity, shall be appointed by the Mayor of the City of Milwaukee.
- (b) Three (3) Directors, who shall be a resident of the City of Milwaukee and primarily an employee or an officer of a public sector entity, who shall be appointed by the President of the Common Council of the City of Milwaukee. The President of the Common Council may appoint himself or herself to one of such positions.
- (c) One (1) Director who shall be the comptroller of the City of Milwaukee.
- (d) One (1) Director who shall be the comptroller of Milwaukee County.
- (e) One (1) Director, who shall be the chief executive officer of a municipality which contributes a minimum of five-fourteenths (5/14) of its room tax (which amount shall be at least One Hundred Fifty Thousand Dollars (\$150,000) per year) to an entity which promotes tourism and conventions within the jurisdiction of the District as that term is used in Section 229.43 Wisconsin Statutes, who shall be appointed by the County Executive of Milwaukee County; provided, however, that if no municipality makes this minimum contribution, the County Executive of Milwaukee County may instead appoint a resident of the district to fill this position.
- (f) Five (5) Directors, who shall be appointed by the County Executive of Milwaukee County and shall be determined as follows:
  - (1) One (1) Director, who shall be the Secretary of the Department of Administration of the State of Wisconsin, or his or her designee;
  - (2) Three (3) Directors who shall be primarily employees or officers of a private sector entity. At least one (1) of such Directors, shall own, operate or manage an enterprise that is located within the District's jurisdiction and which has significant involvement with the food and beverage industry and at least one (1) of such Directors shall own, operate or manage an enterprise that is located within the District's jurisdiction and that has significant involvement with the lodging industry.

- (3) At least two (2) appointees under paragraph (f)(2) shall reside within the jurisdiction of the District, but may not reside in the City of Milwaukee.
- (4) One (1) Director who shall be appointed by the County Executive of Milwaukee County and who shall satisfy all of the following requirements: (1) be either primarily an employee or officer of a private sector entity and (2) own, operate, or manage an enterprise that is located within the jurisdiction of the District and that has either significant involvement with the food and beverage industry or significant involvement with the lodging industry; and (3) reside within the jurisdiction of the District, but may not reside in the City of Milwaukee.
- (g) Two (2) Directors, one (1) of whom shall be the speaker of the assembly, or his or her designee, and one (1) of whom shall be the senate majority leader, or his or her designee, provided, however, the designee shall be a member of the same house of the legislature as the speaker or majority leader who makes the designation.
- (h) Two (2) Directors, one (1) of whom shall be the minority leader of the assembly, or his or her designee, and one (1) of whom shall be the senate minority leader, or his or her designee, provided, however, the designee shall be a member of the same house of the legislature as the minority leader who makes the designation.

For purposes of these Bylaws, a “public sector entity” means the State of Wisconsin or a city, village, town or county or a quasi-governmental entity located in the State of Wisconsin. “Private sector entity” means an entity which is not a public sector entity.

4.03. Tenure Generally. Except as otherwise provided in Section 4.04,

- (a) The terms of the Directors appointed under Section 4.02(a), Section 4.02(b), Section 4.02(f)(2) and Section 4.02(g), above, shall expire or terminate three (3) years from the date the Director is certified under Wis. Stats. § 229.435. No Director to whom this Section 4.03(a) applies may serve on the Board of Directors for more than six (6) years.

Notwithstanding the foregoing, the length of the initial terms of the Directors appointed by the Mayor of Milwaukee (Section 4.02(a), above), the Common Council President for the City of Milwaukee (Section 4.02(b), above), and the four (4) private sector members appointed by the County Executive of Milwaukee County (Sections 4.02(f)(2) and 4.02(g), above) shall be determined jointly by the Secretary of Administration and the County Executive of Milwaukee County, as required by Wis. Stat. s.

229.42(7)(b)1m., which requires that the initial terms of these Directors shall expire or terminate after one (1) year for three (3) of the Directors, after two (2) years for three (3) of the Directors, and after three (3) years for three (3) of the Directors.

- (b) The term of the Secretary of Administration, or his or her designee, (Section 4.02(f)(1)) shall expire or terminate upon the Secretary's term in office expiring.
- (c) The terms of the Speaker of the Wisconsin Assembly, the Minority Leader of the Wisconsin Assembly, the Majority Leader of the Wisconsin Senate, and the Minority Leader of the Wisconsin Senate, or any person designated by any of the preceding officials (Sections 4.02(h) and 4.02(i), above), shall expire or terminate upon such individual's term in office expiring.
- (d) The term of the Director who is the chief executive officer of the municipality appointed under Section 4.02(e) shall expire or terminate upon his or her term in office expiring.
- (e) The term of a Director appointed under Section 4.02(c) or (d) shall expire or terminate upon his or her tenure in position ending.

#### 4.04 Earlier Termination of Board Member Status.

Notwithstanding Section 4.03, the term of a public sector Director (i.e., Board Members appointed under Sections 4.02(b), (c), (d), (e), (f)(1), (h) and (i)) shall expire or terminate upon the earliest occurrence of one of the following:

- (a) The term for which he or she was appointed expires.
- (b) The Director's term in office expires.
- (c) The Director is removed by his or her appointing authority for malfeasance or nonfeasance in office.

The term of a Director who is an officer or employee of a private sector entity (i.e., Board Members appointed under Sections 4.02(a), (f)(2), and (g)) shall expire or terminate upon the earliest occurrence of one of the following:

- (a) The term for which he or she was appointed expires.
- (b) A Director who is subject to a residency requirement establishes a non-qualified residence.

- (c) A Director who is appointed from the food and beverage industry or the lodging industry no longer qualifies as an industry representative as described in Section 4.02(f) or (g) above.
- (d) The Director is removed by his or her appointing authority for malfeasance or nonfeasance in office.

For these purposes, “malfeasance” shall mean, “A wrongful, unlawful, or dishonest act; especially, wrongdoing or misconduct by a public official.”

For these purposes, “nonfeasance” shall mean “The failure to act when a duty to act exists.”

4.05. Regular Meetings. Regular meetings of the Board shall be held at least quarterly at a time and place within the City of Milwaukee determined by the Chairperson or by a resolution of the Board. A meeting shall normally be held in the fourth quarter of each year and shall be designated as the annual meeting for the purpose of electing officers.

4.06. Special Meetings. Special meetings of the Board may be called by or at the request of the Chairperson or any four (4) Directors. The Chairperson or the Directors calling any special meeting of the Board may choose any place for holding any special meeting of the Board called by them, and if no other place is fixed (and in the case of a special meeting called by the Board) the place of meeting shall be the principal office of the District.

4.07. Notice; Waiver. Notice of meetings of the Board or of any committee shall be given by written notice delivered personally, mailed, sent by facsimile transmission or by electronic or digital transmission to each Director at his or her business address or at his or her other address as a Director shall have designated in writing and filed at the District’s principal offices.

The District shall endeavor to provide meeting notices at least seven (7) days prior thereto and notice of special meetings forty-eight (48) hours prior thereto. Public notice of all meetings shall be given as provided in Section 19.84, Wisconsin Statutes or any successor statute.

If mailed, such notice shall be deemed to be delivered when deposited in the United States mail properly addressed, with postage prepaid. If notice is given by electronic or digital transmission, such notice shall be deemed to be delivered when the e-mail is delivered to the recipient.

Whenever any notice whatsoever is required to be given to any Director under the Bylaws or any provision of law, a waiver thereof, in writing, signed at any time, whether before or after the time of meeting, by the Director entitled to such notice, shall be deemed equivalent to the giving of such notice. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting and objects there at to the transaction of any business because the meeting is not lawfully called or convened.

4.08. Quorum. Except as otherwise provided by these Bylaws, a majority of the Board then in office (or of the Board Members appointed as voting members of a Committee for purposes of a Committee meeting) shall constitute a quorum for the transaction of business at any meeting of the Board (or Committee), but a majority of the Board (or Committee) present (though less than such quorum) may adjourn the meeting.

4.09. Manner of Acting. Except as provided in Section 66.75 (1m) (b) and 77.981, Wisconsin Statutes, the act of the majority of the Directors present at a meeting or present by telephone, Skype or other communication technology in accordance Section 4.14 of these Bylaws, at which a quorum is present, either in person or by telephone, shall be deemed the act of the Board. The voting on all questions at a meeting shall be by voice vote, unless a Director requests a roll call, in which case the Yeas/Nays shall be entered upon the minutes of the meeting. All resolutions shall be presented in writing or reduced to writing during or immediately after the meeting, and shall be entered in full upon the minutes of the meeting.

4.10. Conduct of Meetings. The Chairperson, and in his or her absence, the Vice Chairperson, and in his or her absence, any Director chosen by the Chairperson, shall call meetings of the Board to order and shall act as Chairperson of the meeting. The Secretary of the District shall act as secretary of all meetings of the Board, but in the absence of the Secretary, the presiding officer may appoint any Director or other person present to act as secretary of the meeting. Except as specifically provided herein, meetings of the Board shall be conducted generally in accordance with Robert's Rules of Order as revised from time to time. All meetings of the Board or any committee thereof may be recorded at the Board's option.

4.11. Presumption of Assent. A Director who is present at a meeting of the Board, or a committee thereof of which he or she is a member, at which meeting action on any District matter is taken shall be presumed to have assented to the action taken unless his or her abstention or dissent shall be entered in the minutes of the meeting or unless he or she shall file his or her written abstention or dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such abstention or dissent by certified mail to the Secretary of the District immediately after the adjournment of the meeting. Such right to abstain or dissent shall not apply to a Director who voted in favor of such action.

4.12. Committees. The Board by resolution adopted by the affirmative vote of a majority of the Board then in office may create one or more committees in addition to the standing committees identified in Section 4.13 of these Bylaws. Each committee shall consist of up to five (5) voting Directors appointed by the Chairperson, who shall also have the ability to remove a Director from any committee. The Chairperson shall designate a chairperson for each committee. The Chairperson may appoint one (1) or more Director(s) as alternate member(s) of any such committee who may take the place of any absent member or members at any meeting of such committee, upon request by the Chairperson or upon request by the chairperson of such meeting. Each such committee shall fix its own rules governing the conduct of its activities and shall make such reports to the Board of its activities as the Board may request, pursuant to the limitations set forth by the Bylaws and applicable law.

4.13. Standing Committees. The Board shall have as standing committees: a Finance and Personnel Committee and a Governance Committee. Except as otherwise delegated by the Board, all recommendations or actions of any committee shall be subject to the approval of the Board. Each standing committee shall consist of up to five (5) voting Directors appointed by the Chairperson, who shall also have the ability to remove a Director from the standing committee. The Chairperson shall designate a chairperson for each standing committee and shall serve as a non-voting, ex officio member of the Finance and Personnel Committee. The Chairperson may appoint one (1) or more Director(s) as alternate member(s) of any such standing committee who may take the place of any absent member or members at any meeting of such committee, upon request by the Chairperson or upon request by the chairperson of such meeting.

Except as otherwise delegated by the Board, the Finance and Personnel Committee shall have general authority over financial and personnel matters of the District. The Finance and Personnel Committee shall recommend a budget for approval of the Board in December of each year, oversee compensation and other personnel matters and direct the manner of accounting and financial recordkeeping for the District. The Finance and Personnel Committee shall periodically report to the Board on the appropriateness of the District's financial records and will supervise an annual independent financial audit of the District's financial operations. The Committee shall report to the Board on its activities on a regular basis and not less than once a year.

Except as otherwise delegated by the Board, the Governance Committee shall have responsibility for, and oversight of, leadership development, orientation, recruitment, succession planning, and such other matters not within the scope of another committee's responsibilities. The Chairperson shall serve as the chairperson of the Governance Committee. Prior to the annual Board election meeting, the Governance Committee shall recommend a slate of officers to the Board. The Committee will report to the Board on its activities on a regular basis and not less than once a year.

4.14. Meetings by Telephone or by Other Communication Technology. Meetings of the Board or committees of the Board may be conducted by telephone, Skype or other communication technology in accordance with Chapter 19, Wisconsin Statutes, provided all Directors may simultaneously hear each other and communicate during the meeting. Meetings may be held pursuant to this Section 4.14 to address and to vote on any matter which properly comes before that Board pursuant to these Bylaws.

4.15. Provisions Subject to Change. The provisions of Article IV shall be subject to change and subordinate to Wis. Stat. s. 229.42.

## **ARTICLE V. OFFICERS**

5.01. Number. The principal officers of the District shall be a Chairperson, a Vice Chairperson, a Secretary, a Treasurer and a non-voting WCD President/CEO.

5.02. Election, Appointment and Term of Office. Prior to the annual Board election meeting, Board members wishing to be considered for an officer position on the Board should submit their name to the Governance Committee. All name submissions shall be considered for the desired officer position.

The Chairperson, Vice Chairperson, Secretary and Treasurer shall be elected by the Board from among the Board. Such other officers and assistant officers as may be deemed necessary may be elected or appointed by the Board. The officers of the District (other than the WCD President/CEO) to be elected by the Board shall normally be elected annually by the Board at the annual meeting of the Board. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently possible. Each elected officer shall hold office until his or her successor shall have been duly elected or until his or her termination as a Director.

5.03. Removal. The Chairperson, Vice Chairperson, Secretary or Treasurer may be removed by the Board whenever in its judgment the best interests of the District will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment shall not of itself create contract rights.

5.04. Vacancies. A vacancy in the principal offices of Chairperson, Vice Chairperson, Secretary and Treasurer because of termination as a Director, shall be filled by the Board in accordance with Section 5.02 hereof at its next meeting for the unexpired portion of the term, or as soon thereafter as administratively possible.

5.05. Chairperson. The Chairperson shall, when present, preside at all meetings of the Board. He or she shall have authority to sign, execute and acknowledge, on behalf of the District, all deeds, mortgages, bonds, contracts, leases, reports and all other documents or instruments necessary or proper to be executed in the course of the District's regular business, or which shall be authorized by resolution of the Board; and except as otherwise provided by law or the Board, he or she may authorize in writing any Vice Chairperson or other officer or agent of the District to sign, execute and acknowledge such documents or instruments in his or her place and stead. In general, he or she shall perform all duties incident to the office of Chairperson and such other duties as may be prescribed by the Board from time to time; provided, however, that the Chairperson shall not be deemed hereby to participate in operating management of the District.

5.06. The Vice Chairperson. In the absence of the Chairperson, or in the event for any reason it shall be impracticable for the Chairperson to act personally, the Vice Chairperson shall perform the duties of the Chairperson, and when so acting, shall have all the powers of and be subject to all the restrictions upon the Chairperson. The Vice Chairperson may sign, with the Secretary or Assistant Secretary, bonds or notes of the District, and shall perform such other duties and have such authority as from time to time may be delegated or assigned to him or her by the Chairperson or by the Board. The execution of any instrument of the District by the Vice Chairperson shall be conclusive evidence, as to third parties, of his or her authority to act in the stead of the Chairperson.

5.07 The Secretary. The Secretary shall: (a) keep or maintain the minutes of the meetings of the Board in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the District records and of the seals of the District and see that the seal of the District is affixed to all documents the execution of which on behalf of the District under its seal is duly authorized; (d) act as registrar for the bonds of the District; (e) sign with the Chairperson or the Vice Chairperson, debt securities of the District, the issuance of which shall have been authorized by resolution of the Board; (f) arrange for tape recording (if desired) of Board and Committee meetings; and (g) in general, perform all duties and exercise such authority as from time to time may be delegated or assigned to him or her by the Chairperson or by the Board.

5.08. The Treasurer. The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the District; (b) receive and give receipts for moneys due and payable to the District from any source whatsoever, and deposit all such moneys in the name of the District in such banks as shall be selected in accordance with the provisions of Section 6.04 hereof; and (c) in general, perform all of the duties incident to the offices of Treasurer and have such other duties and exercise such other authority as from time to time may be delegated or assigned to him or her by the Chairperson or by the Board. If required by the Board, the Treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such sureties as the Board shall determine.

5.09. WCD President/CEO. The President shall be appointed by the Board and shall be the principal executive officer of the District. The Board shall determine the compensation and other terms and conditions of employment, procedures for removal, and other relevant matters it deems appropriate with regard to the President's employment. Subject to the control of the Board, the President shall in general supervise and control all of the business and affairs of the District. He or she shall have authority to sign, execute and acknowledge documents or instruments consistent with Board policy. He or she shall also perform all duties prescribed by the Board from time to time.

5.10. Unpaid Assistant Secretary. There shall be such number of Assistant Secretaries as the Board may from time to time authorize. The Assistant Secretaries may sign with the Chairperson or the Vice Chairperson debt securities of the District the issuance of which shall have been authorized by a resolution of the Board. The Assistant Secretaries in general, shall perform such duties and have such authority as shall from time to time be delegated or assigned to them by the Secretary or by the Chairperson of the Board.

5.11. Other Unpaid Assistants and Acting Officers. The Board shall have the power to appoint any person to act as assistant to any officer, or as agent for the District in his or her stead, or to perform the duties of such officer whenever for any reason it is impracticable for such officer to act personally, and such assistant or acting officer or other agent so appointed by the Board shall have the power to perform all the duties of the office to which he or she is so appointed to be assistant, as to which he or she is so appointed to act, except as such power may be otherwise defined or restricted by the Board.

5.12. Other Unpaid Personnel. The WCD President/CEO may, from time to time, appoint and employ such personnel as may be deemed necessary to exercise the powers, duties and functions of the District. The qualifications, duties and numbers of such personnel shall be consistent with policies determined by the Board.

5.13. Compensation. No compensation shall be paid to the Chairperson, Vice Chairperson, Secretary, Treasurer, or any other Director for their service in such capacities, but Directors and officers shall be reimbursed for their ordinary and necessary expenses incurred in the performance of their duties. The compensation of the WCD President/CEO shall be fixed from time to time by the Governance Committee. Compensation (including fringe benefits and bonus pool) of other personnel shall be fixed from time to time by the WCD President/CEO. Significant changes to compensation of other personnel shall be approved by the Board; other increases to compensation of other personnel shall be reported to the Board as an informational report.

## **ARTICLE VI. CONTRACTS, LOANS, CHECKS AND DEPOSITS**

6.01. Contracts. The Board may authorize any officer or officers, agent or agents, to enter into any contract or execute or deliver any instrument in the name of and on behalf of the District, and such authorization may be general or confined to specific instances. In the absence of other designation, all deeds, mortgages and instruments of assignment or pledge made by the District shall be executed in the name of the District by the Chairperson, Vice Chairperson or the President; the Secretary or Assistant Secretary, when necessary or required, shall affix the District seal thereto, and when so executed no other party to such instrument or any third party shall be required to make any inquiry into the authority of the signing officer or officers.

6.02. Loans. No indebtedness for borrowed money shall be contracted on behalf of the District and no evidences of such indebtedness shall be issued in its name unless authorized by or under the authority of a resolution of the Board.

6.03. 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 District, shall be signed or otherwise authenticated and verified by such officer or officers, agent or agents of the District and in such manner as shall from time to time be determined by or under the authority of a resolution of the Board.

6.04. Deposits. All funds of the District not otherwise employed shall be deposited from time to time to the credit of the District in such bank or banks, as may be selected by or under the authority of a resolution of the Board.

6.05. Regulations with Respect to Evidence of Indebtedness. The Board shall have the power and authority to make all such rules and regulations not inconsistent with the statutes of

the State of Wisconsin as it may deem expedient concerning the issue, transfer and registration of evidence of indebtedness of the District.

## **ARTICLE VII. SEAL**

7.01. The Board shall provide a District seal which shall be circular in form and shall have inscribed thereon the name of the District.

## **ARTICLE VIII. AMENDMENTS**

8.01. Express Amendments. These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by the Board by affirmative vote of a majority of the number of the Board then in office at any meeting at which proper notice is given that amendment of these Bylaws is an order of business.

8.02. Implied Amendments. Any action taken or authorized by the Board which would be inconsistent with the Bylaws then in effect but is taken or authorized by affirmative vote of not less than the number of Board required to amend the Bylaws so that the Bylaws would be consistent with such action, shall be given the same effect as though the Bylaws had been temporarily amended or suspended so far, but only so far, as is necessary to permit the specific action so taken or authorized.

## **ARTICLE IX. FISCAL YEAR**

9.01. Fiscal Year. The fiscal year of the District shall commence on the first day of January in each year and close on the next succeeding December 31.

## **ARTICLE X. RESOLUTIONS**

10.01. Severability. Unless otherwise expressly provided, if any one or more of the provisions of any resolution of the District should be determined by a court of competent jurisdiction to be contrary to law, then such provision or provisions shall be deemed and construed to be severable from the remaining provisions therein contained and shall in no way affect the validity of the other provisions of such resolution.

10.02. Headings. Any heading preceding the texts of the several articles and sections of any resolution of the District, and any table of contents or marginal notes appended thereof, shall be solely for convenience of reference and shall not constitute a part of such resolution, nor shall they affect its meaning, construction or effect.

10.03. Effective Date. Unless otherwise expressly provided, each resolution of the District shall take effect immediately upon its adoption in the manner provided by law.

10.04. Priority. Unless otherwise expressly provided, each resolution of the District shall be deemed to rescind and repeal all prior resolutions, rules or other actions, or part thereof, of the District in conflict with such subsequent resolution insofar (and only insofar) as such conflict exists. This provision shall not apply to conflicts between resolutions and Bylaws of the District.

10.05. No Recourse Under Resolutions. All covenants, stipulations, promises, agreements and obligations of the District contained in any resolution of the District shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the District and not of any member, officer or employee of the District in his or her individual capacity, and no recourse shall be had for any claim based on any resolution of the District against any member, officer or employee of the District.

10.06. District Complete. The officers of the District, attorneys, agents or employees of the District shall be automatically authorized to do all acts and things required of them by any resolution of the District for the full, punctual and complete performance of all of the provisions of such resolution.

## **ARTICLE XI. INDEMNIFICATION OF BOARD AND OFFICERS**

11.01. Mandatory Indemnification. The District shall indemnify any Director, officer or employee or agent who was or is a party or a witness or threatened to be made a party or a witness to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (including an action by or in the right of the District) by reason of the fact that he or she was a Director, officer, employee or agent of the District against any liability or expenses incurred in connection therewith, including attorney's fees, judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding; provided, that such person acted in a manner he or she reasonably believed to be in or not opposed to the best interest of the District, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. If such determination is not made by final adjudication in such action, suit or proceeding, it shall be made by arbitration in Milwaukee, Wisconsin, in accordance with the rules then prevailing of the American Arbitration Association by a panel of three (3) arbitrators. One (1) of the arbitrators will be selected by the Board by a majority vote of a quorum consisting of members of the Board who were not parties to such action, suit or proceeding (or, if such a quorum is not obtainable, by independent legal counsel), the second by the officers and Board who may be entitled to indemnification, and the third by the two (2) arbitrators selected by the parties. 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 District, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

11.02. Advance Payment. Expenses, including attorney's fees, incurred in defending a civil or criminal action, suit or proceeding may be paid by the District in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of the Director, officer, employee or agent to repay such amount unless it shall ultimately be determined that he or she is entitled to be indemnified by the District in accordance with this Article XI.

11.03. Other Rights. The indemnification provided by this Article XI shall not be deemed exclusive of any other indemnity which the Board, or this District, may lawfully grant or any other rights to which any Director, officer, employee or agent may be entitled, 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.

11.04. Insurance. The District shall purchase and maintain insurance on behalf of any person who is or was a Director, officer, employee or agent of the District, against any liability asserted against him or her and incurred by him or her in any such capacity or arising out of his or her status as such, whether or not the District would be obligated to indemnify him or her against such liability under the provisions of this Article XI. Such insurance shall be for the benefit of all Directors, officers, employees and agents.

## **ARTICLE XII. ETHICS POLICY**

12.01. Duty of Loyalty to the Board. Directors must abide by the requirements of Sections 19.41 through 19.59, Wisconsin Statutes, Code of Ethics for Public Officials and Employees. Directors are expected to maintain unconflicted loyalty to the interests of the Board. This accountability supersedes any conflicting loyalty such as that to advocacy or interest groups or other personal interests.

12.02. Definitions. For the purposes of this section, "immediate family" is defined as a spouse, or an individual's relative by marriage, lineal descent, or adoption. Additionally, for the purposes of this section, "recuse" shall mean that the director shall remove himself or herself from the room during the period that the matter to which a conflict of interest relates is being discussed or acted upon by the Board of Directors, and shall not otherwise engage in ex parte conversations with a person or entity regarding matters to which the Director has a conflict of interest.

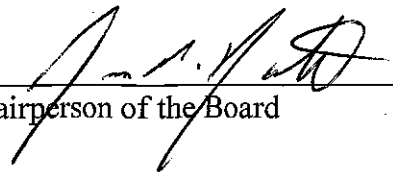
12.03. Conflicts of Interest. Directors must avoid conflicts of interest or the appearance of a conflict of interest with respect to the performance of their duties and fiduciary responsibilities. Any Director who believes he or she has or may have a conflict of interest shall disclose such interest to the Board. Directors must ultimately "recuse" themselves from all

matters (i) that substantially affect a matter in which the Director, a member of his or her immediate family, or an organization with which the Director is associated has a substantial financial interest, or (ii) that produce or assist in the production of a substantial benefit, direct or indirect, for themselves, one or more members of their immediate family, or an organization with which they are associated. This includes a requirement that Directors associated with an organization or entity with whom the District is contracting, or proposing to contract with, shall disclose such association to the Board and recuse themselves from all contract matters involving such organization or entity if the Director's participation could result, either directly or indirectly, in a benefit to such organization or entity.

12.04. Duty to Follow State Open Meetings Law. Directors must adhere to the agenda items for each Board meeting and committee meeting, and not knowingly participate in closed meetings except as permitted by the Open Meetings Law.

12.05. Confidential Information. Directors must maintain the confidentiality of privileged or otherwise confidential information, and shall not use such confidential information for the personal gain of themselves, their family, or others. Directors must maintain the confidentiality of discussions which occur at a closed meeting of the Board.

Adopted by resolution of the Board of Directors on the 22<sup>nd</sup> day of March, 2019.

  
Chairperson of the Board

Prepared by:

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