Bylaws of the Worker Rights Consortium

ARTICLE I
Name, Offices, and Purposes

Section 1.1 NAME. The name of this corporation shall be "Worker Rights Consortium, Inc." ("WRC").

Section 1.2 PURPOSE. The corporation, which is not a membership organization, shall be established and maintained for the following purposes:

1. to promote socially responsible initiatives by universities and colleges, and by manufacturers who use the indicia of those universities and colleges, for the improvement of working conditions and labor standards in domestic and global production of that merchandise;
2. to promote in the community of universities, colleges and manufacturers, through education and research, awareness of and appropriate responses to production of merchandise bearing college and university indicia under ethically unacceptable working conditions such as sweated, child, sub-living-wage, discriminatory, unsafe, and other forms of abusive labor;
3. to codify and promote compliance with ethical standards of conduct by college and university licensors, and by manufacturers who use the indicia of those universities and colleges, including but not limited to standards for living wages, child labor, women's rights, the right to organize and bargain collectively, and health and safety, in light of the "Key WRC Principles" set forth in Annex I of these bylaws;
4. to gather and publicly disseminate information regarding the locations and conditions of workplaces where merchandise bearing college and university indicia is produced;
5. to conduct such other monitoring and/or educational efforts as the Board of Directors deems appropriate.
6. Paragraphs (a) through (e) may also apply to such other goods as both the corporation and the respective affiliated institution shall agree to.

ARTICLE II
Board of Directors

Section 2.1 GENERAL POWERS. The business and affairs of the corporation shall be conducted under the direction of, and the control and disposal of the corporation's properties and funds shall be vested in, its board of directors, except as otherwise provided in the New York Not-For-Profit Corporation Law, the corporation's articles of incorporation or these bylaws. The board of directors shall, among other things, promote the objectives of the organization and further its purposes.

Section 2.2 NUMBER, TENURE AND QUALIFICATIONS. There shall be three constituencies: 1) the United Students Against Sweatshops ("USAS"); 2) the Advisory Council;

and 3) universities and schools that have affiliated with the corporation ("University Caucus"). There shall be fifteen (15) directors of the corporation. The directors shall be divided into three (3) groups and shall be known as Class I, Class II and Class III. Class I shall have five (5) directors, all of whom shall be elected by the USAS constituency. Class II shall have five (5) directors, all of whom shall be elected by the University Caucus constituency. Class III shall have five (5) directors, all of whom shall be elected by the Advisory Council constituency. Initially, the directors of Class I and Class II shall serve for a term of one (1) year and the directors of Class III shall serve a term of two (2) years. All terms shall commence on the date of election and each director shall hold office until his or her successor is elected and qualified, or until his or her death, resignation or removal. At each subsequent annual meeting of the board of directors: 1) the successors of those directors from Class I whose term then expires shall be elected to serve for a term of one (1) year and until their successors are elected and qualified, or until their death, resignation or removal; 2) the successors of those directors from Class II whose term then expires shall be elected to serve for a term of two (2) years and until their successors are elected and qualified, or until their_death, resignation or removal; and 3) the successors of those directors from Class III whose term then expires shall be elected to serve for a term of two (2) years and until their successors are elected and qualified, or until their death, resignation or removal. Each director shall be a member of the constituency he or she represents.

Section 2.3 BOARD MEMBER ATTENDANCE. If a director is absent from two (2) consecutive meetings, unless excused, his or her office shall become vacant for the remainder of the term or until the vacancy is filled pursuant to Section 2.6 below. A director who expects to be absent from a meeting shall communicate the reasons for the absence to the chair of the board in advance of the meeting. The directors present at any meeting of the board at which there is a quorum shall, by majority vote, decide whether a director's absence from the meeting is excused or unexcused, based on a standard of whether illness, important work or family matters, or other good cause justifies the absence. The minutes should note any excused or unexcused absence(s).

Section 2.4 ELECTION OF DIRECTORS. The USAS constituency shall have the sole and absolute power to elect the Class I directors, pursuant to election rules established by USAS. The Advisory Council constituency shall have the sole and absolute power to elect the Class III directors, pursuant to election rules established by the Advisory Council. The University Caucus constituency shall have the sole and absolute power to elect the Class II directors, pursuant to election rules established by the University Caucus. Provided, however, that each constituency shall elect directors only from among their own members. Each constituency shall elect its directors no later than the date of the annual meeting and shall report the names of the elected directors to the chair of the board of directors.

Section 2.5 RATIFICATION OF DIRECTORS. The board of directors, at its annual meeting, shall ratify the directors elected and reported by the three constituencies.

Section 2.6 VACANCIES. Any director may resign at any time by giving written notice to the board chair or the secretary of the corporation. Such resignation shall take effect at the time specified therein, and if not specified therein, it shall take effect upon receipt and the acceptance of such resignation shall not be necessary to make it effective. The constituency that elected any

director who has vacated – by reason of resignation or for any other reason – shall elect and report a new director to the board of directors, who shall ratify the election. A director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor and until his or her successor is elected and qualified, or until his or her death, resignation or removal.

Section 2.7 REGULAR MEETINGS. An annual meeting of the board of directors shall be held promptly at the time and place determined by the board, for the purpose of electing officers and for the transaction of such other business as may come before the meeting. There shall be no less than three (3) regular meetings, including the annual meeting, of the board of directors in each calendar year, at the time and place determined by the board, and the board of directors shall provide by resolution the time and place for the holding of such additional regular meetings. To the extent possible, prior to each regular meeting, a written agenda stating all the matters upon which action is proposed to be taken at the meeting will be sent to each director at his or her last known business or home address. There shall be a standing board committee on the agenda, composed of one director from each of the three constituencies. The executive director shall draft the agenda. The standing committee shall have sole authority to approve the agenda for presentation to the board.

Section 2.8 SPECIAL MEETINGS. The board chair may call a special meeting of the board of directors whenever he or she deems it necessary, and shall call a special meeting whenever requested to do so in writing by three (3) or more directors. The board chair shall fix the place and time for holding any special meeting of the board of directors. Notice of each special meeting stating the purpose, place, day and hour of the meeting, along with, to the extent possible, a written agenda stating all the matters upon which action is proposed to be taken, shall be given to each director at his or her last known business or home address at least seven (7) days prior thereto by the mailing of written notice, or at least two (2) days prior thereto by personal delivery of written notice or by telephonic or telegraphic notice, or other electronic means of notice (and the method of notice need not be the same to each director). If mailed, such notice shall be deemed to be given when deposited in the United States mail, with postage thereon prepaid. If sent by facsimile machine, or other electronic means, such notice shall be deemed to be given when the facsimile machine or other electronic means prints or acknowledges that the transmission was successfully executed.

Section 2.9 QUORUM AND VOTING. A quorum of the board for the transaction of business at any meeting of the board of directors shall consist of a majority of each Class of directors. Each director shall be entitled to one (1) vote and the vote of a majority of the directors present in person at a meeting at which a quorum is present shall be the act of the board of directors unless a greater number is specifically required by these bylaws, by the corporation's articles of incorporation or by state law. If less than a quorum is present at a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice other than announcement at the meeting, until a quorum shall be present. A director may not vote or act by proxy at any meeting of directors.

Section 2.10 COMPENSATION. Directors shall not receive compensation for their services as such. Directors shall not be disqualified from receiving reasonable compensation for services

rendered to or for the benefit of the corporation in any other capacity. The corporation may reimburse directors for any expenses reasonably incurred in activities on behalf of the corporation.

Section 2.11 MEETINGS BY TELEPHONE OR TELECONFERENCE. Members of the board of directors or any committee may participate in a meeting of the board or committee by means of conference telephone or similar communications equipment by which all persons participating in the meeting can hear each other at the same time. Such participation shall constitute presence in person at the meeting.

Section 2.12 ACTION WITHOUT A MEETING. Any action required or permitted to be taken at a meeting of the directors or any committee thereof may be taken without a meeting if a consent in writing, setting forth the action so taken or to be taken, is signed by all of the directors or committee members entitled to vote upon such action at a meeting. Such consent (which may be signed in counterparts) shall have the same force and effect as a unanimous vote of the directors or committee members.

Section 2.13 BOARD CHAIR. At its annual meeting, the board of directors shall elect, from among those who are, or are to be, directors of the corporation, a board chair who shall, when present, preside at all regular and special meetings of the board of directors and shall generally perform all other duties incident to the office, required by the bylaws or from time to time assigned to him or her by the board of directors. See section 3.2 for rotation among the Classes.

Section 2.14 DUES. In order to meet their financial requirements of affiliation: Colleges and universities will fund the corporation with a percentage of licensing revenue. For a college or university that collects royalties from a licensing program, initial dues shall be 1% of its previous year's licensing revenues (but in no case less than $1,500 and with each year's dues payment capped at $50,000 for any individual college of university). For a college or university that does not collect royalties from a licensing program, annual dues shall be $1,500. The board of directors, in consultation with the three constituencies, shall from time to time reevaluate these dues provisions. If the board authorizes a change in dues, such change may not take effect until the start of a new fiscal year. The board shall give affiliated institutions at least 90-days notice before any such change in dues take effect.

The annual dues of an individual school in a multi-campus system with its own, independent licensing operations shall be $1,500 or 1% of its licensing revenue, whichever is higher. Each school shall be deemed an individual affiliated institution.

An individual school in a multi-campus system which does not have an independent licensing operation and whose licensing revenues are collected centrally shall be considered part of the system. Dues shall be assessed on the entire system, and the entire system shall be deemed a single affiliated institution.

Minimum annual dues for affiliated secondary schools shall be $500.

Section 2.15 BUDGET. The board of directors shall approve the corporation's annual budget in advance of each new fiscal year.

ARTICLE III
Officers and Agents

Section 3.1 NUMBER AND QUALIFICATIONS. The officers of the corporation shall consist of a chair, secretary and treasurer, and such other officers, assistant officers and agents, assistant secretaries and assistant treasurers, as may be deemed necessary or desirable by the corporation's directors or state law. One person may not hold more than one office at a time and all shall be members of the board of directors.

Section 3.2 ELECTION AND TERM OF OFFICE. The officers of the corporation shall be elected, for a term commencing on election, by the corporation's directors at the annual meeting of the board of directors. The chair, secretary and treasurer shall all be from different Classes and each subsequent year these positions shall rotate among the three Classes, such that the chair (and secretary and treasurer) will be from any given Class only once every three (3) years. Specifically, unless otherwise specified by the board of directors, during the first year of the corporation's establishment, the chair will be from Class III, the secretary will be from Class I and the treasurer will be from Class II. The next year, the chair will be from Class I, the secretary from Class II and the treasurer from Class III. The third year, the chair will be from Class II, the secretary from Class III and the treasurer from Class I. This rotation shall repeat itself in following years. Each officer shall hold office for a term of one (1) year or until his or her successor shall have been duly elected and shall have qualified, or until his or her earlier death, resignation or removal.

Section 3.3 REMOVAL. Any officer or agent may be removed by the board of directors, or a committee appointed by the board for such purpose, with or without cause, 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. Election or appointment of an officer or agent shall not in itself create contract rights.

Section 3.4 VACANCIES. Any officer may resign at any time, subject to any rights or obligations under any existing contracts between the officer and the corporation, by giving written notice to the board chair or the secretary. An officer's resignation shall take effect at the time specified in such notice, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. A vacancy in any office, however occurring, may be filled for the unexpired portion of the term by action of the board of directors; provided however, that it must be filled by a director from the same Class as the vacating director.

Section 3.5 AUTHORITY AND DUTIES OF OFFICERS. The officers of the corporation shall have the authority and shall exercise the powers and perform the duties specified by the board of directors or these bylaws, except that in any event each officer shall exercise such

powers and perform such duties as may be required by law.

3.5.1 Executive director. The board of directors may appoint an executive director who shall serve at the pleasure of the board of directors. The executive director shall be responsible for supervising the administrative and programmatic activities and any staff of the WRC, and shall perform such other duties as may be determined from time to time by the board of directors, including but not limited to the hiring and firing of staff under guidance of the board of directors. The executive director shall make an annual report and periodic reports to the board of directors concerning the programs of the corporation. He or she shall comply with all orders from the board of directors.

3.5.2. Secretary. The board of directors shall elect a secretary who shall attend the meetings of the directors and shall record the proceedings of the corporation and of the board of directors and of all committees of the board, at their respective meetings. He or she shall provide for notification of the directors of the corporation of their respective meetings in accordance with these bylaws of the corporation, shall be the custodian of the corporate records and seal, shall make certifications of board actions, bylaws and all organizational documents, and shall perform such other duties as may be required by these bylaws or as may be assigned by the board of directors.

3.5.3. Treasurer. The board of directors shall elect a treasurer who shall oversee the financial affairs of the corporation. He or she shall perform such other duties as may be required by these bylaws or as may be assigned by the board of directors. At the end of his or her term of office, the treasurer shall deliver to his or her successor all books, monies, and other property of the corporation then in his or her possession. The board of directors may require the treasurer to give such security as it may direct for the faithful performance of his or her duties.

ARTICLE IV
Committees of the Board

Section 4.1 DESIGNATION OF COMMITTEES. The board of directors may designate one or more standing or special committees to direct the business of the corporation. Each such committee may exercise the authority granted to it by the board's enabling resolution.

Section 4.2 LIMITATION ON COMMITTEE POWERS. No committee shall have the authority of the board of directors to amend, alter or repeal these bylaws; to elect, appoint or remove any member of any such committee or any officer or director of the corporation (except as provided specifically below in this section 4.2); to amend the articles of incorporation of the corporation; to restate the corporation's articles of incorporation; to adopt a plan of merger or adopt a plan of consolidation with another corporation; to authorize the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the corporation; to authorize the voluntary dissolution of the corporation or to revoke proceedings therefore; to adopt a plan for the distribution of the assets of the corporation; to amend, alter or repeal any resolution of the board of directors; or as otherwise may be prohibited by law. Rules governing procedures for

meetings of any committee of the board shall be as established by the board of directors, or in the absence thereof, by the committee itself. If no rules are established, then the rules that govern the directors shall govern each committee. All committees are to report promptly to the board and only take such action(s) as is specifically designated in the bylaws or in the resolution chartering the committee. Each committee shall consist of three (3) or more directors and, such other persons as the board may designate, who need not be members of the board of directors. Members of a committee shall serve until the next annual meeting of the corporation or until their successors are appointed.

Section 4.3 COMMITTEE CHAIR. The board chair, with the approval of the board of directors, shall appoint all committee chairs for the ensuing year at or within a reasonable time after the annual meeting of the board of directors. Committee chairs shall be members of the corporation's board of directors or an individual chosen by the corporation's board of directors. If the board of directors charters a new committee by resolution at a meeting other than the annual meeting of the board of directors, the board of directors shall similarly appoint its chair at the time the committee is chartered or within a reasonable time after the establishment of the committee.

Section 4.4 COMMITTEE MEETINGS. Meetings of the committees of the board of directors may be called by the respective chairs thereof or by any three (3) members of the committee. At all meetings of any committee, a majority of the members of the committee shall constitute a quorum for the transaction of business, and the act of a majority of the members of the committee present at any meeting thereof at which there is a quorum, shall be the act of the committee, except as may be otherwise specifically provided for by these bylaws.

ARTICLE V
Status of the Three Constituencies

Section 5.1 ORGANIZATION OF THE THREE CONSTITUENCIES. The three constituencies of the corporation – USAS, the University Caucus, and the Advisory Council – shall exist as either unincorporated associations or corporations, in the discretion of each constituency, and shall function by unwritten or written rules and bylaws, also in the discretion of each constituency.

ARTICLE VI
Indemnification

Except to the extent expressly prohibited by the New York Not-For-Profit Corporation Law, the corporation shall indemnify any person, made or threatened to be made a party to or called as a witness in or asked to provide information in connection with any pending or threatened action, proceeding, hearing or investigation, or any appeal therein (other than an action or proceeding by or in the right of the corporation to procure a judgment in its favor), whether civil or criminal, including an action by or in the right of any other corporation of any type or kind, domestic or

foreign, or any partnership, joint venture, trust, employee benefit plan or other enterprise, which person was or is a director or officer of the corporation serving in any capacity at the request of the corporation, or by reason of the fact that he or she was or is the executor, administrator, heir or successor of a person who was or is a director or officer of the corporation, or served such other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise in any capacity at the request of the corporation, against judgments, fines, amounts paid in settlement and reasonable expenses, including attorneys' fees actually and necessarily incurred as a result of such action or proceeding, or any appeal therein, if such director or officer acted in good faith as to the matters that are the subject of the legal proceeding in question, for a purpose which he reasonably believed to be in, or, in the case of service for any corporation or any partnership, joint venture, trust, employee benefit plan or other enterprise, not opposed to, the best interests of the corporation and, in criminal actions or proceedings, in addition, had no reasonable cause to believe that his or her conduct was unlawful.

Except to the extent expressly prohibited by the Not-For-Profit Corporation Law, the corporation shall indemnify any person made, or threatened to be made, a party to an action by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he or she is or was, or he or she is the executor, administrator, heir or successor of a person who is or was, a director or officer of the corporation, or is or was serving at the request of the corporation as a director or officer of any corporation of any type or kind, domestic or foreign, of any partnership, joint venture, trust, employee benefit plan or other enterprise, against amounts paid in settlement and reasonable expenses, including attorneys' fees, actually and necessarily incurred by him or her in connection with the defense or settlement of such action, or in connection with an appeal therein, if such director or officer acted, in good faith, for a purpose which he reasonably believed to be in, or, in the case of service for any corporation or any partnership, joint venture, trust, employee benefit plan or other enterprise, not opposed to, the best interests of the corporation, except that no indemnification under this paragraph shall be made in respect to (1) a threatened action, or a pending action which is settled or otherwise disposed of, or (2) any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation, unless and only to the extent that the court in which the action was brought, or if no action was brought, any court of competent jurisdiction, determines upon application that, in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnity for such portion of the settlement amount and expenses as the court deems proper.

The termination of any civil or criminal action or proceeding by judgment, settlement, conviction or upon a plea of nolo contendere, or its equivalent, shall not in itself create a presumption that any such director or officer did not act in good faith, for a purpose which he or she reasonably believed to be in, or, in the case of service for any other corporation or any partnership, joint venture, trust, employee benefit plan or other enterprise, not opposed to, the best interests of the Corporation or that he or she had reasonable cause to believe that his or her conduct was unlawful.

No indemnification shall be made under this bylaw if a judgment or other final adjudication adverse to such person establishes that his or her acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated,

or that he personally gained in fact a financial profit or other advantage to which he was not legally entitled, and provided further that no such indemnification shall be required with respect to any settlement or other nonadjudicated disposition of any threatened or pending action or proceeding unless the corporation has given its consent to such settlement or other disposition.

The corporation shall advance or promptly reimburse, upon request of any person entitled to indemnification hereunder, all expenses, including attorneys' fees reasonably incurred in defending any action or proceeding in advance of the final disposition thereof, upon receipt of a written undertaking by or on behalf of such person to repay such amount if such person is ultimately found not to be entitled to indemnification or, where indemnification is granted, to the extent the expenses so advanced or reimbursed exceed the amount to which such person is entitled.

Nothing in these bylaws shall limit or affect any other right of any person to indemnification or expenses, including attorneys' fees, under any statute, rule, regulation, certificate of incorporation, bylaw, insurance policy, contract or otherwise.

No elimination of this bylaw, and no amendment of this bylaw adversely affecting the right of any person to indemnification or advancement of expenses hereunder shall be effective until the sixtieth day following notice to such person of such action, and no elimination of or amendment to this bylaw shall deprive any person of his rights hereunder arising out of alleged or actual occurrences, acts or failures to act prior to such sixtieth day. The provisions of this paragraph shall supersede anything to the contrary in these bylaws.

The corporation shall not, except by elimination or amendment of this bylaw in a manner consistent with the preceding paragraph, take any corporate action or enter into any agreement which prohibits, or otherwise limits the rights of any person to, indemnification in accordance with the provisions of this bylaw. The indemnification of any person provided by this bylaw shall continue after such person has ceased to be a director or officer of the Corporation and shall inure to the benefit of such person's heirs, executors, administrators and legal representatives.

The corporation is authorized to enter into agreements with any of its directors, officers or employees extending rights to indemnification and advancement of expenses to such person to the fullest extent permitted by applicable law, or to provide such indemnification and advancement of expenses pursuant to a resolution of directors, but the failure to enter into any such agreement or to adopt any such resolutions shall not affect or limit the rights of such person pursuant to this bylaw. It is hereby expressly recognized that all directors and officers of the corporation, by serving as such after the adoption hereof, are acting in reliance on this bylaw and that the corporation is estopped to contend otherwise. Additionally, it is hereby expressly recognized that all persons who are directors or officers of the corporation and also serve as directors, officers or employees of corporations which are subsidiaries or affiliates of the corporation (or otherwise entities controlled by the corporation) are conclusively presumed to serve or to have served as such at the request of the corporation and, unless prohibited by law, are entitled to indemnification under this bylaw.

For purposes of this bylaw, the corporation shall be deemed to have requested a director or officer of the corporation to serve an employee benefit plan where the performance by such person of his or her duties to the corporation also imposes duties on, or otherwise involves services by, such person to the plan or participants or beneficiaries of the plan, and excise taxes assessed on a person with respect to an employee benefit plan pursuant to applicable law shall be considered indemnifiable expenses.

A person who has been successful, on the merits or otherwise, in the defenses of a civil or criminal action or proceeding shall be entitled to indemnification as authorized in such paragraph. Except as provided in the preceding sentence and unless ordered by a court, any indemnification under this bylaw, under any contract or otherwise, shall be made by the corporation if, and only if, authorized in the specific case:

1. By the board of directors acting by quorum consisting of directors who are not parties to such action or proceeding upon a finding that the director or officer has met the standard of conduct set forth in the first paragraph of this bylaw;

2. If such a quorum is not obtainable or, even if obtainable, a quorum of disinterested directors so directs:

3. By the board of directors upon the opinion in writing of independent legal counsel that indemnification is proper in the circumstances because the standard of conduct set forth in the first or second paragraph of this bylaw has been met by such director or officer.

If any expenses or other amounts are paid by way of indemnification, otherwise than by court order, the corporation shall include in the records of the corporation open to public inspection a statement specifying the action taken.

For purposes of this bylaw, the term “corporation” shall include any legal successor to the corporation, including any corporation or other entity which acquires all or substantially all of the assets of the corporation in one or more transactions.

In case any provision in this bylaw shall be determined at any time to be unenforceable in any respect, the other provisions shall not in any way be affected or impaired thereby, and the affected provision shall be given the fullest possible enforcement in the circumstances, it being the intention of the corporation to afford indemnification and advancement of expenses to its directors and officers, acting in such capacities or in the other capacities specified in this bylaw, to the fullest extent permitted by law.

The corporation shall have the power, to the full extent permitted by law, to purchase and maintain insurance to indemnify its directors, officers, agents, employees and to indemnify the corporation for any obligation which it incurs as a result of indemnification of directors, officers, agents or employees.

ARTICLE VII
Conflict of Interest

Section 7.1 CONFLICT DEFINED. A conflict of interest may exist when the interests or activities of any director, officer or staff member may be seen as competing with the interests or activities of this corporation, or the director, officer or staff member derives a financial or other material gain as a result of a direct or indirect relationship. The financial interest of an affiliated institution in its licensees shall not, in itself, be considered an interest in conflict with the interests of the corporation.

Section 7.2 DISCLOSURE REQUIRED. Any possible conflict of interest or situation that may give rise to a possible conflict of interest shall be disclosed to the board of directors by the person concerned, if that person is a director or the executive director, or to the executive director, or to such person or persons as he or she may designate, if the person is a member of the staff. Directors, officers, and staff other than the person concerned, or any other third party, may also disclose possible conflicts of interest to the board of directors.

Section 7.2.1 ABSTINENCE FROM VOTE. When any conflict of interest is relevant to a matter requiring action by the board of directors, the interested person shall call it to the attention of the board of directors or its appropriate committee, if the conflict has not already been called to their attention by another party, and such interested person shall not vote on the matter; provided, however, any director disclosing a possible conflict of interest may be counted in determining the presence of a quorum at a meeting of the board of directors or a committee thereof.

Section 7.3 ABSENCE FROM DISCUSSION. Unless requested to remain present during the meeting, the person having the conflict shall retire from the room in which the board or its committee is meeting and shall not participate in the final deliberation or decision regarding the matter under consideration. However, that person shall provide the board or committee with any and all relevant information.

Section 7.4 MINUTES. The minutes of the meeting of the board or committee shall reflect that the conflict of interest was disclosed and that the interested person was not present during the final discussion or vote and did not vote. When there is doubt as to whether a conflict of interest exists, the matter shall be resolved by a vote of the board of directors or its committee, excluding the person concerning whose situation the doubt has arisen.

Section 7.5 ANNUAL REVIEW. A copy of this conflict of interest bylaw shall be furnished to each director, officer and senior staff member who is presently serving the corporation, or who may hereafter become associated with the corporation. This policy shall be reviewed annually for the information and guidance of directors, officers and staff members who shall be asked and shall indicate at that time whether they have knowledge of any possible conflict of interest or situation that may give rise to a possible conflict of interest, and, if so, to disclose the same. Any new directors, officers or staff members shall be advised of this policy upon undertaking the duties of such office.

ARTICLE VIII
Miscellaneous

Section 8.1 BOOKS AND MINUTES. The corporation shall keep correct and complete books and records of account and financial statements and shall also keep minutes of the proceedings of its board of directors and committees. All books and records of the corporation may be inspected by any director or his or her accredited agent or attorney, for any proper purpose at any reasonable time.

Section 8.2 FISCAL YEAR AND AUDIT. The fiscal year of the corporation shall be July 1st through June 30th, inclusive.

Section 8.3 CONVEYANCES AND ENCUMBRANCES. Property of the corporation may be assigned, conveyed or encumbered by such officers of the corporation as may be authorized to do so by the board of directors, and such authorized persons shall have power to execute and deliver any and all instruments of assignment, conveyance and encumbrance; however, the sale, exchange, lease or other disposition of all or substantially all of the property and assets of the corporation shall be authorized only in the manner prescribed by the applicable law.

Section 8.4 DESIGNATED CONTRIBUTIONS. The officers of the corporation may accept on its behalf, in accordance with policies and procedures set by the board of directors and subject to ratification by the board of directors, any designated contribution, grant, bequest or devise consistent with its general tax-exempt purposes, as set forth in the corporation's articles of incorporation. As so limited, donor designated contributions will be accepted for special funds, purposes or uses. Further, the corporation shall retain sufficient control over all donated funds (including designated contributions) to assure that such funds will be used consistent with the restrictions contained in the grant and the corporation's tax-exempt purposes.

Section 8.5 CHECKS, CONTRACTS AND DEPOSITS. The executive director, chair and treasurer shall be authorized to sign contracts authorized by the board and to sign checks on behalf of the corporation; provided, however, that any check drawn for an amount greater than $5,000 shall require the signature of two persons authorized by these bylaws or the board of directors to sign checks on behalf of the corporation. The board shall select depositories for funds of the corporation, which funds may be held as cash or invested as determined by the board of directors.

Section 8.6 LOANS TO DIRECTORS AND OFFICERS PROHIBITED. No loans or advances shall be made by the corporation to any of its directors or officers.

Section 8.7 NO PRIVATE INUREMENT. The corporation is not organized for profit and is to be operated exclusively for one or more of the purposes as specified in Section 501(c)(3) of the Internal Revenue Code, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Rev-

enue Code, or the corresponding section of any future federal tax code, and in the promotion of social welfare in accordance with the purposes stated in the organization's articles of incorporation. The net earnings of the organization shall be devoted exclusively to charitable and educational purposes and shall not inure to the benefit of any private individual. No director or person from whom the organization may receive any property or funds shall receive or shall be entitled to receive any pecuniary profit from the operation thereof, and in no event shall any part of the funds or assets of the organization be paid as salary or compensation to, or distributed to, or inure to the benefit of any member of the board of directors; provided, however, that (a) reasonable compensation may be paid to any director while acting as an agent, contractor, or employee of the corporation for services rendered in affecting one or more of the purposes of the organization; and (b) any director may, from time to time, be reimbursed for his or her actual and reasonable expenses incurred in connection with the administration of the affairs of the organization.

Section 8.8 REFERENCES TO INTERNAL REVENUE CODE. All references in these bylaws to provisions of the Internal Revenue Code are to the provisions of the Internal Revenue Code of 1986, as amended, and shall include the corresponding provisions of any subsequent federal tax laws.

Section 8.9 AMENDMENTS. These bylaws may be amended, repealed or modified, and new bylaws adopted, by the affirmative vote of two-thirds of the board of directors**.** Any notice of a meeting at which these bylaws are to be amended, repealed or modified shall include notice of such proposed action.

Section 8.10 PRIVATE INUREMENT. Notwithstanding any other provision of the articles of incorporation or these bylaws, the corporation shall not engage in any activities which are not permitted (1) by a nonprofit corporation exempt from federal corporate tax under Section 501(c)(3) of the Internal Revenue Code, or (2) by a nonprofit corporation's contributions to which are to be deductible under Section 170(c)(2) of the Internal Revenue Code.

Section 8.11 SEVERABILITY. The invalidity of any provision of these bylaws shall not affect the other provisions hereof, and in such event these bylaws shall be construed in all respects as if such invalid provisions were omitted.

Section 8.12 ORDER OF PRECEDENCE. The corporation shall be bound by its Certificate of Incorporation and its bylaws, in accordance with New York State and other applicable law. No document or policy shall supercede these bylaws, unless such document or policy is validly incorporated in these bylaws as an amendment pursuant to the amendment provisions of these bylaws and in accordance with applicable law.

ANNEX I
Key WRC Principles

1. It is the responsibility of the licensee to ensure that workers are not exploited.
2. It is the University's role to define expected standards for treatment of workers and to hold licensees accountable. The test of the system is what happens to real workers in real factories.
3. Information is critical to uncovering problems, evaluating violations of the Code, and verifying that improvements have been made.
4. Enforcement should be based on citing companies for violation – and using the licensing agreement to hold the licensee accountable for such violations. The WRC shall not play the role of certifying "good" licensees or brands. This commitment is, however, compatible with publicly verifying that particular factories have met the standards of applicable codes of conduct.
5. Limited university funds can improve working conditions if channeled to bring the experiences of workers to the public. The WRC shall engage with licensees to achieve the most effective remediation of abusive working conditions. The resources of the WRC shall be managed independently of the licensees and the economic activity surrounding collegiate licensing, and by people whose clear mission is to be responsive to the concerns of workers.
6. When abusive conditions at a particular worksite are exposed to public view, the licensee has an obligation to use its leverage to correct conditions – and not to "cut and run" from that site.
7. Misreporting of factory locations and conditions is a serious offense that undermines the possibility of enforcement.
8. Verification procedures must be continually reevaluated.

BYLAWS CERTIFICATE

The undersigned certifies that s/he is the secretary of the Worker Rights Consortium, a New York nonprofit corporation, and that, as such, s/he is authorized to execute this certificate on behalf of said corporation, and further certifies that the foregoing bylaws, consisting of fifteen (15) pages, including this page, constitute the bylaws of the corporation as of this date, duly adopted by the directors of the corporation at their meeting dated _____, as amended from time to time prior to the date hereof.