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Form **990**Department of the Treasury
Internal Revenue Service**Return of Organization Exempt From Income Tax**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No 1545-0047

2008Open to Public
Inspection**A For the 2008 calendar year, or tax year beginning** OCT 1, 2008 **and ending** SEP 30, 2009

B Check if applicable: <input checked="" type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type See Specific Instructions	C Name of organization REGIONAL DEVELOPMENT COMPANY		D Employer identification number 35-1939664
		F/K/A NW INDIANA REGIONAL DEVELOPMENT CO		E Telephone number 219-476-0504
		Doing Business As		G Gross receipts \$ 608,073.
		Number and street (or P O box if mail is not delivered to street address) Room/suite 1757 THORNAPPLE CIRCLE		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions) H(c) Group exemption number ▶
City or town, state or country, and ZIP + 4 VALPARAISO, IN 46385		F Name and address of principal officer: TOM GALOVIC SAME AS C ABOVE		
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c) (6) ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527				
J Website: ▶ WWW.RDC504.ORG				
K Type of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶ L Year of formation 1994 M State of legal domicile IN				

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: <u>TO FURTHER THE ECONOMIC DEVELOPMENT AND SOCIAL WELFARE OF NORTHWEST INDIANA AND ITS</u>				
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets.				
	3 Number of voting members of the governing body (Part VI, line 1a)	3	28		
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	27		
	5 Total number of employees (Part V, line 2a)	5	4		
	6 Total number of volunteers (estimate if necessary)	6	50		
	7a Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a	0.		
	7b Net unrelated business taxable income from Form 990-T, line 34	7b	0.		
	Revenue	8 Contributions and grants (Part VIII, line 1h)		Prior Year	Current Year
		9 Program service revenue (Part VIII, line 2g)		630,086.	597,798.
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)		11,207.	3,742.		
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		-38.	6,533.		
12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)		641,255.	608,073.		
13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)		14,750.	12,500.		
14 Benefits paid to or for members (Part IX, column (A), line 4)					
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)		317,257.	395,406.		
16a Professional fundraising fees (Part IX, column (A), line 11e)					
17 Total fundraising expenses (Part IX, column (D), line 25) ▶					
Expenses	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)		222,366.	195,156.	
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)		554,373.	603,062.	
	19 Revenue less expenses. Subtract line 18 from line 12		86,882.	5,011.	
	20 Total assets (Part X, line 16)		Beginning of Year	End of Year	
	21 Total liabilities (Part X, line 26)		62,817,132.	69,538,540.	
	22 Net assets or fund balances. Subtract line 21 from line 20		62,422,688.	69,139,085.	
			394,444.	399,455.	

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.				
Sign Here	Signature of officer	Date 2/1/10		
	TOM GALOVIC, PRESIDENT	Type or print name and title		
Paid Preparer's Use Only	Preparer's signature	Date 12-2-09	Check if self-employed <input type="checkbox"/>	Preparer's identifying number (see instructions)
	Firm's name (or yours if self-employed), address, and ZIP + 4 SWARTZ RETSON & CO., P.C. 235 E. 86TH AVE. MERRILLVILLE, IN 46410	EIN ▶	Phone no ▶ 219-769-3616	
May the IRS discuss this return with the preparer shown above? (see instructions) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				

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SCANNED MAR 01 2010

REGIONAL DEVELOPMENT COMPANY

Form 990 (2008)

F/K/A NW INDIANA REGIONAL DEVELOPMENT CO

35-1939664

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Part III Statement of Program Service Accomplishments (see instructions)

- 1 Briefly describe the organization's mission: SEE SCHEDULE O FOR CONTINUATION
THE GENERAL PURPOSE IS TO FURTHER THE ECONOMIC DEVELOPMENT AND SOCIAL WELFARE OF NORTHWEST INDIANA AND ITS ENVIRONS BY (1) PROMOTING AND ASSISTING THE GROWTH AND DEVELOPMENT OF BUSINESS CONCERNS WITHIN THE GEOGRAPHIC AREA, ENTITY'S OWNED BY MINORITIES AND WOMEN, AND
- 2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No
If "Yes", describe these new services on Schedule O.
- 3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No
If "Yes", describe these changes on Schedule O.
- 4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ including grants of \$) (Revenue \$)
FINANCING WAS PROVIDED TO 22 APPLICANTS DURING THE FISCAL YEAR ENDING SEPTEMBER 30, 2009.

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services. (Describe in Schedule O.)

(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses ► \$ (Must equal Part IX, Line 25, column (B))

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>		X
2 Is the organization required to complete Schedule B, Schedule of Contributors?		X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities? <i>If "Yes," complete Schedule C, Part II</i>		
5 Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? <i>If "Yes," complete Schedule C, Part III</i>		X
6 Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		X
10 Did the organization hold assets in term, permanent, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>		X
11 Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? <i>If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable</i>	X	
12 Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII</i>	X	
13 Is the organization a school as described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a Did the organization maintain an office, employees, or agents outside of the U.S.?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U.S.? <i>If "Yes," complete Schedule F, Part I</i>		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If "Yes," complete Schedule F, Part II</i>		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If "Yes," complete Schedule F, Part III</i>		X
17 Did the organization report more than \$15,000 on Part IX, column (A), line 11e? <i>If "Yes," complete Schedule G, Part I</i>		X
18 Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		X
19 Did the organization report more than \$15,000 on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20 Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H</i>		X
21 Did the organization report more than \$5,000 on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	X	
22 Did the organization report more than \$5,000 on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		X
23 Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? <i>If "Yes," complete Schedule J</i>		X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to question 25</i>		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		
b Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? <i>If "Yes," complete Schedule L, Part I</i>		
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i>		X

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Part IV Checklist of Required Schedules (continued)

	Yes	No
28 During the tax year, did any person who is a current or former officer, director, trustee, or key employee:		
a Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? <i>If "Yes," complete Schedule L, Part IV</i>		X
b Have a family member who had a direct or indirect business relationship with the organization? <i>If "Yes," complete Schedule L, Part IV</i>		X
c Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? <i>If "Yes," complete Schedule L, Part IV</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	X	
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>		X
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>		X
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>		
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		X

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Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable	5	
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	0	
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		X
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	4	
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return. (see instructions)		X
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
b	If "Yes," enter the name of the foreign country: See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
c	If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?		
6a	Did the organization solicit any contributions that were not tax deductible?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization provide goods or services in exchange for any quid pro quo contribution of more than \$75?		
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d	
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?		
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?		
8	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
9	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.		
a	Did the organization make any taxable distributions under section 4966?		
b	Did the organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter: N/A		
a	Initiation fees and capital contributions included on Part VIII, line 12	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
11	Section 501(c)(12) organizations. Enter: N/A		
a	Gross income from members or shareholders	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year N/A	12b	

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Part VI Governance, Management, and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)**Section A. Governing Body and Management**

	Yes	No
For each "Yes" response to lines 2-7b below, and for a "No" response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions.		
1a Enter the number of voting members of the governing body	28	
b Enter the number of voting members that are independent	27	
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		X
4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	X	
5 Did the organization become aware during the year of a material diversion of the organization's assets?		X
6 Does the organization have members or stockholders?		X
7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		X
b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	X	
b Each committee with authority to act on behalf of the governing body?	X	
9a Does the organization have local chapters, branches, or affiliates?		X
b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
10 Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	X	
11 Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		X

Section B. Policies

	Yes	No
12a Does the organization have a written conflict of interest policy? If "No," go to line 13	X	
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	X	
13 Does the organization have a written whistleblower policy?	X	
14 Does the organization have a written document retention and destruction policy?	X	
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision:		
a The organization's CEO, Executive Director, or top management official?	X	
b Other officers or key employees of the organization?		X
Describe the process in Schedule O. (see instructions)		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed **IN**

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
☐ Own website ☒ Another's website ☒ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: **TOM GALOVIC - 219-476-0504**
1757 THORNAPPLE CIRCLE, VALPARAISO, IN 46385

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

1a Complete this table for all persons required to be listed. Use Schedule J-2 if additional space is needed.

• List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

• List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.

• List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

• List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if the organization did not compensate any officer, director, trustee, or key employee.

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
MARK MCLAUGHLIN DIRECTOR	1.00	X						0.	0.	0.
JOHN DIEDERICH DIRECTOR	1.00	X						0.	0.	0.
JOEL GORELICK DIRECTOR	1.00	X						0.	0.	0.
JOHN REGETZ DIRECTOR	1.00	X						0.	0.	0.
DALE CLAPP DIRECTOR	1.00	X						0.	0.	0.
JENNIFER WHALEY DIRECTOR	1.00	X						0.	0.	0.
TIM BRUST DIRECTOR	1.00	X						0.	0.	0.
DIANE THALMANN DIRECTOR	1.00	X						0.	0.	0.
TODD DICKARD DIRECTOR	1.00	X						0.	0.	0.
PETE PEUQUET DIRECTOR/PAST CHAIR	1.00	X						0.	0.	0.
JIM MAGERA DIRECTOR	1.00	X						0.	0.	0.
CURTIS WHITTAKER DIRECTOR	1.00	X						0.	0.	0.
CHARLES WEAVER DIRECTOR	1.00	X						0.	0.	0.
CYNTHIA POWERS DIRECTOR	1.00	X						0.	0.	0.
TOM WILK DIRECTOR	1.00	X						0.	0.	0.
JEFF BRANT DIRECTOR	1.00	X						0.	0.	0.
DAVID CORRALEZ DIRECTOR	1.00	X						0.	0.	0.

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Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
REX RICHARDS DIRECTOR	1.00	X						0.	0.	0.
KEVIN BERES DIRECTOR	1.00	X						0.	0.	0.
TIM GROPP DIRECTOR	1.00	X						0.	0.	0.
DAVE RYAN DIRECTOR	1.00	X						0.	0.	0.
TERRA SAMUEL DIRECTOR	1.00	X						0.	0.	0.
DAVID STEPHENSON DIRECTOR	1.00	X						0.	0.	0.
TOM GALOVIC PRESIDENT/EXEC. DIR.	40.00	X		X				74,392.	0.	0.
DEWEY PEARMAN VICE CHAIR	1.00			X				0.	0.	0.
CYNTHIA PRUITT SECRETARY	1.00			X				0.	0.	0.
SCOTT CASBON CHAIR	1.00			X				0.	0.	0.
1b Total								74,392.	0.	0.

2 Total number of individuals (including those in 1a) who received more than \$100,000 in reportable compensation from the organization

0

- 3 Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual
- 4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual
- 5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? If "Yes," complete Schedule J for such person

	Yes	No
3		X
4		X
5		X

Section B. Independent Contractors

- 1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. NONE

(A) Name and business address	(B) Description of services	(C) Compensation

- 2 Total number of independent contractors (including those in 1) who received more than \$100,000 in compensation from the organization

0

SEE SCHEDULE J-2 FOR PART VII, SECTION A CONTINUATION

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Part VIII Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1 a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f				
	g	Noncash contributions included in lines 1a-1f \$					
	h	Total. Add lines 1a-1f					
Program Service Revenue	2 a	SERVICE FEES	Business Code 525990	356,437.	356,437.		
	b	PROCESSING FEES	525990	205,963.	205,963.		
	c	504 LOAN INTEREST INCO	525990	35,398.	35,398.		
	d						
	e						
	f	All other program service revenue					
	g	Total. Add lines 2a-2f			597,798.		
	3	Investment income (including dividends, interest, and other similar amounts)			3,742.		3,742.
4	Income from investment of tax-exempt bond proceeds						
5	Royalties						
Other Revenue	6 a	Gross Rents	(i) Real (ii) Personal				
	b	Less: rental expenses					
	c	Rental income or (loss)					
	d	Net rental income or (loss)					
	7 a	Gross amount from sales of assets other than inventory	(i) Securities (ii) Other				
	b	Less: cost or other basis and sales expenses					
	c	Gain or (loss)					
	d	Net gain or (loss)					
	8 a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	a				
	b	Less: direct expenses	b				
	c	Net income or (loss) from fundraising events					
	9 a	Gross income from gaming activities. See Part IV, line 19	a				
	b	Less: direct expenses	b				
	c	Net income or (loss) from gaming activities					
	10 a	Gross sales of inventory, less returns and allowances	a				
	b	Less: cost of goods sold	b				
	c	Net income or (loss) from sales of inventory					
	Miscellaneous Revenue			Business Code			
	11 a	FORFEITED DEPOSITS	525990	5,801.	5,801.		
	b	LATE FEE INCOME	525990	500.	500.		
	c	RETAINED EARNINGS ADJU	525990	72.	72.		
	d	All other revenue	525990	160.	160.		
	e	Total. Add lines 11a-11d		6,533.			
	12	Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e			608,073.	604,331.	0.

REGIONAL DEVELOPMENT COMPANY

Form 990 (2008)

F/K/A NW INDIANA REGIONAL DEVELOPMENT CO

35-1939664 Page 10

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21	12,500.			
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	95,731.			
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	232,559.			
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	12,279.			
9 Other employee benefits				
10 Payroll taxes	54,837.			
11 Fees for services (non-employees):				
a Management				
b Legal	1,896.			
c Accounting	6,700.			
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees				
g Other				
12 Advertising and promotion				
13 Office expenses	16,382.			
14 Information technology				
15 Royalties				
16 Occupancy	37,180.			
17 Travel	9,450.			
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	15,679.			
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	8,229.			
23 Insurance				
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a MARKETING	34,913.			
b DUES	17,459.			
c COMPUTER SVCS AND EXPEN	15,468.			
d TELEPHONE AND INTERNET	9,446.			
e LENDER CONTEST	7,712.			
f All other expenses	14,642.			
25 Total functional expenses. Add lines 1 through 24f	603,062.			
26 Joint Costs. Check here <input type="checkbox"/> if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

REGIONAL DEVELOPMENT COMPANY

Form 990 (2008)

F/K/A NW INDIANA REGIONAL DEVELOPMENT CO

35-1939664 Page 11

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing		1	
	2 Savings and temporary cash investments	484,443.	2	477,044.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	325.	4	
	5 Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L		5	
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net	62,281,318.	7	68,997,762.
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	14,483.	9	14,033.
	10a Land, buildings, and equipment: cost basis	10a 79,215.		
	b Less: accumulated depreciation. Complete Part VI of Schedule D	10b 42,560.	33,517.	10c 36,655.
	11 Investments - publicly traded securities		11	
	12 Investments - other securities. See Part IV, line 11		12	
	13 Investments - program-related. See Part IV, line 11		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	3,046.	15	13,046.
16 Total assets. Add lines 1 through 15 (must equal line 34)	62,817,132.	16	69,538,540.	
Liabilities	17 Accounts payable and accrued expenses	3,674.	17	7,868.
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable		24	
	25 Other liabilities. Complete Part X of Schedule D	62,419,014.	25	69,131,217.
	26 Total liabilities. Add lines 17 through 25	62,422,688.	26	69,139,085.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets		27	
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	394,444.	33	399,455.
	34 Total liabilities and net assets/fund balances	62,817,132.	34	69,538,540.

Part XI Financial Statements and Reporting

- 1 Accounting method used to prepare the Form 990: ☐ Cash ☒ Accrual ☐ Other
- 2a Were the organization's financial statements compiled or reviewed by an independent accountant?
- b Were the organization's financial statements audited by an independent accountant?
- c If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?
- 3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?
- b If "Yes," did the organization undergo the required audit or audits?

	Yes	No
2a		X
2b	X	
2c	X	
3a		X
3b		

Schedule D
(Form 990)Department of the Treasury
Internal Revenue Service**Supplemental Financial Statements**▶ Attach to Form 990. To be completed by organizations that
answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

OMB No 1545-0047

2008Open to Public
InspectionName of the organization **REGIONAL DEVELOPMENT COMPANY**
F/K/A NW INDIANA REGIONAL DEVELOPMENT COEmployer identification number
35-1939664**Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the
organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or pleasure)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a-2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff or volunteer hours devoted to monitoring, inspecting, and enforcing easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ▶ \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1	▶ \$ _____
(ii) Assets included in Form 990, Part X	▶ \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items:

a Revenues included in Form 990, Part VIII, line 1	▶ \$ _____
b Assets included in Form 990, Part X	▶ \$ _____

REGIONAL DEVELOPMENT COMPANY

Schedule D (Form 990) 2008

F/K/A NW INDIANA REGIONAL DEVELOPMENT CO 35-1939664 Page 2

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a ☐ Public exhibition d ☐ Loan or exchange programs
 b ☐ Scholarly research e ☐ Other _____
 c ☐ Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Trust, Escrow and Custodial Arrangements. Complete if organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

	Amount
1c	
1d	
1e	
1f	

- c Beginning balance
 d Additions during the year
 e Distributions during the year
 f Ending balance

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Investment earnings or losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the year end balance held as:

- a Board designated or quasi-endowment ► _____ %
 b Permanent endowment ► _____ %
 c Term endowment ► _____ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i) unrelated organizations
 (ii) related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Investments - Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements		17,948.	5,736.	12,212.
d Equipment		36,443.	21,874.	14,569.
e Other		24,824.	14,950.	9,874.
Total. Add lines 1a-1e. (Column (d) should equal Form 990, Part X, column (B), line 10(c).)				36,655.

Schedule D (Form 990) 2008

REGIONAL DEVELOPMENT COMPANY

Schedule D (Form 990) 2008

F/K/A NW INDIANA REGIONAL DEVELOPMENT CO 35-1939664 Page 3

Part VII Investments - Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
Financial derivatives and other financial products		
Closely-held equity interests		
Other		
Total. (Col (b) should equal Form 990, Part X, col (B) line 12.) ►		

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
Total. (Col (b) should equal Form 990, Part X, col (B) line 13.) ►		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
Total. (Column (b) should equal Form 990, Part X, col (B) line 15.) ►	

Part X Other Liabilities. See Form 990, Part X, line 25.

(a) Description of liability	(b) Amount
Federal income taxes	
DEBENTURES OUTSTANDING	68,997,762.
DEPOSITS PAYABLE	62,506.
ACCRUED WAGES	35,854.
DEFERRED PROCESSING FEES	35,095.
Total. (Column (b) should equal Form 990, Part X, col (B) line 25.) ►	
69,131,217.	

In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48.

REGIONAL DEVELOPMENT COMPANY

Schedule D (Form 990) 2008

F/K/A NW INDIANA REGIONAL DEVELOPMENT CO 35-1939664 Page 4

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	608,073.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	603,062.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	5,011.
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net). Add lines 4-8	9	0.
10	Excess or (deficit) for the year per financial statements. Combine lines 3 and 9	10	5,011.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	608,073.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	0.
3	Subtract line 2e from line 1	3	608,073.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total revenue. Add lines 3 and 4c. (This should equal Form 990, Part I, line 12.)	5	608,073.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	603,062.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Losses reported on Form 990, Part IX, line 25	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	0.
3	Subtract line 2e from line 1	3	603,062.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total expenses. Add lines 3 and 4c. (This should equal Form 990, Part I, line 18.)	5	603,062.

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b.

THE COMPANY HAS ELECTED TO DEFER IMPLEMENTATION OF ACCOUNTING FOR

UNCERTAINTY IN INCOME TAXES AS IS ALLOWED UNDER THE CURRENT STANDARDS.

MANAGEMENT WILL EVALUATE THE OPTIONS AVAILABLE TO THEM AND ASSESS THE

EFFECTS OF IMPLEMENTATION OF THE STANDARD IN THE NEXT FISCAL YEAR.

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the U.S.**

► Complete if the organization answered "Yes," on Form 990, Part IV, lines 21 or 22.

► Attach to Form 990.

2008


Open to Public Inspection

Name of the organization	REGIONAL DEVELOPMENT COMPANY F/K/A NW INDIANA REGIONAL DEVELOPMENT CO	Employer identification number 35-1939664
--------------------------	--	--

Part I	General Information on Grants and Assistance
---------------	---

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II **Grants and Other Assistance to Governments and Organizations in the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed. 

[illegible]

2 Enter total number of section 501(c)(3) and government organizations

3 Enter total number of other organizations

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule I (Form 990) 2008

Part III

Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Use Schedule I-1 (Form 990) if additional space is needed.

[illegible]

Part IV

Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.

Department of the Treasury
Internal Revenue Service

▶ **Attach to Form 990 to list additional information for Form 990, Part VII, Section A, line 1a.**

OMB No 1545-0047

2008

Open to Public Inspection

REGIONAL DEVELOPMENT COMPANY
F/K/A NW INDIANA REGIONAL DEVELOPMENT CO

Employer Identification number
35-1939664

[illegible]

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No 1545-0047

2008

Open to Public
Inspection

Name of the organization

REGIONAL DEVELOPMENT COMPANY
F/K/A NW INDIANA REGIONAL DEVELOPMENT CO

Employer identification number
35-1939664

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

ENVIRONS.

FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

BUSINESSES LOCATED WITHIN ECONOMICALLY DISADVANTAGED OR DEPRESSED

AREAS, AND (2) BENEFITING THE COMMUNITY OF NORTHWEST INDIANA BY

FOSTERING INCREASED EMPLOYMENT OPPORTUNITIES AND THE EXPANSION OF LABOR

POOLS AND LABOR SKILLS THROUGH THE EDUCATION OF INDIVIDUALS, FINANCIAL

INSTITUTIONS AND THE BUSINESS COMMUNITY.

TO HELP SMALL BUSINESSES BECOME AWARE OF SBA 504 LOAN FINANCING.

FORM 990, PART VI, SECTION A, LINE 4: REGIONAL DEVELOPMENT COMPANY MADE

THE FOLLOWING CHANGES TO THE BY-LAWS:

ARTICLE III MEMBERSHIP: DROPPED 'ONLY TWO MEMBERS FROM EACH MAJOR PRIVATE
SECTOR LENDING INSTITUTION SHALL BE PERMITTED INTO THE CORPORATION AT ANY
TIME'.

ADDED SECTION FOUR: GOVERNANCE COMMITTEE OVERSIGHT IN MEMBERSHIP
TERMINATION.

ADDED SECTION NINE: MEETING PARTICIPATION BY CONFERENCE, TELEPHONE, OR
VIDEO CONFERENCING.

ARTICLE V BOARD OF DIRECTORS: SECTION 15 ADDED MEETING PARTICIPATION BY
CONFERENCE, TELEPHONE, OR VIDEO CONFERENCING.

ARTICLE VI OFFICERS: ELIMINATED VICE PRESIDENTS. PAST CHAIR & VICE CHAIR
WERE ADDED. A DESCRIPTION OF DUTIES FOR THE OFFICERS WAS ADDED.

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No 1545-0047

2008

Open to Public
Inspection

Name of the organization

REGIONAL DEVELOPMENT COMPANY
F/K/A NW INDIANA REGIONAL DEVELOPMENT CO

Employer identification number
35-1939664

ARTICLE VII COMMITTEES: LISTED AND DESCRIBED THE FOLLOWING COMMITTEES:

EXECUTIVE, NOMINATING, LOAN, AUDIT, GOVERNANCE, MARKETING, FINANCE, AND
CONTRIBUTION.

ARTICLE X INDEMNIFICATION OF MEMBERS, DIRECTORS AND OFFICERS: "CURRENT"
LANGUAGE ADDED.

ARTICLE XI CODE OF CONDUCT: ADDED. IT ALSO INCLUDES CONFLICT OF INTEREST
IN THE CODE.

ARTICLE XIII REVIEW OF BYLAWS: THE GOVERNANCE COMMITTEE SHALL REVIEW BYLAWS
AT LEAST EVERY 2 YEARS.

FORM 990, PART VI, SECTION A, LINE 10: A COPY OF FORM 990 WAS PROVIDED TO
THE ORGANIZATION'S BOARD OF DIRECTORS FOR REVIEW PRIOR TO FILING.

FORM 990, PART VI, SECTION B, LINE 12C: OFFICERS, DIRECTORS AND KEY
EMPLOYEES ARE REQUIRED TO DISCLOSE ANNUALLY INTERESTS THAT COULD GIVE RISE
TO CONFLICTS. CONFLICT OF INTEREST ISSUES ARE FORWARDED TO THE GOVERNANCE
COMMITTEE FOR ACTION.

FORM 990, PART VI, SECTION B, LINE 15: COMPENSATION OF THE EXECUTIVE
DIRECTOR IS DETERMINED USING COMPARABILITY DATA FOR SIMILAR JOBS IN THE
BANKING INDUSTRY, IS SUBJECT TO FINANCE COMMITTEE REVIEW AND ANNUAL BUDGET
LIMITS.

FORM 990, PART VI, SECTION C, LINE 18: FORM 990 IS AVAILABLE ONLINE AT
WWW.GUIDESTAR.ORG

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No 1545-0047

2008
Open to Public
Inspection

Name of the organization

REGIONAL DEVELOPMENT COMPANY
F/K/A NW INDIANA REGIONAL DEVELOPMENT CO

Employer identification number
35-1939664

FORM 990, PART VI, SECTION C, LINE 19: THE ORGANIZATION'S WHISTLEBLOWER
POLICY AND DOCUMENT RETENTION POLICY ARE MADE AVAILABLE TO THE PUBLIC
THROUGH THE ORGANIZATION WEBSITE.

FORM 990, PART XI, LINE 2C

NO CHANGES TO REPORT.

Name of the organization

REGIONAL DEVELOPMENT COMPANY

F/K/A NW INDIANA REGIONAL DEVELOPMENT CO

Employer identification number
35-1939664

Part I Identification of Disregarded Entities

[illegible]

Part II Identification of Related Tax-Exempt Organizations

[illegible]

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2008

Part III Identification of Related Organizations Taxable as a Partnership

Part IV Identification of Related Organizations Taxable as a Corporation or Trust

832162 12-23-08	23	Schedule B (Form 990) 2008
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Part V Transactions With Related Organizations

Note. Complete line 1 if any entity is listed in Parts II, III, or IV.

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

a Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity

b Gift, grant, or capital contribution to other organization(s)

c Gift, grant, or capital contribution from other organization(s)

d Loans or loan guarantees to or for other organization(s)

e Loans or loan guarantees by other organization(s)

f Sale of assets to other organization(s)

g Purchase of assets from other organization(s)

h Exchange of assets

i Lease of facilities, equipment, or other assets to other organization(s)

j Lease of facilities, equipment, or other assets from other organization(s)

k Performance of services or membership or fundraising solicitations for other organization(s)

l Performance of services or membership or fundraising solicitations by other organization(s)

m Sharing of facilities, equipment, mailing lists, or other assets

n Sharing of paid employees

o Reimbursement paid to other organization for expenses

p Reimbursement paid by other organization for expenses

q Other transfer of cash or property to other organization(s)

r Other transfer of cash or property from other organization(s)

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

		(A) Name of other organization(s)		(B) Transaction type (a-r)	(C) Amount involved
(1)					
(2)					
(3)					
(4)					
(5)					
(6)					

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

[illegible]

Form 4562

Department of the Treasury
Internal Revenue Service (99)

Name(s) shown on return

Depreciation and Amortization 990
(Including Information on Listed Property)

▶ See separate instructions.

▶ Attach to your tax return.

OMB No 1545-0172

2008Attachment
Sequence No 67

REGIONAL DEVELOPMENT COMPANY

F/K/A NW INDIANA REGIONAL DEVELOPMENT CO FORM 990 PAGE 10

Identifying number
35-1939664**Part I Election To Expense Certain Property Under Section 179** Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount. See the instructions for a higher limit for certain businesses	1	250,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	800,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2007 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2009. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.)

14	Special depreciation for qualified property (other than listed property) placed in service during the tax year	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	8,229.

Part III MACRS Depreciation (Do not include listed property) (See instructions.)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2008	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

Section B - Assets Placed in Service During 2008 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property	/		27.5 yrs.	MM	S/L	
	/		27.5 yrs.	MM	S/L	
i Nonresidential real property	/		39 yrs.	MM	S/L	
	/			MM	S/L	

Section C - Assets Placed in Service During 2008 Tax Year Using the Alternative Depreciation System

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year	/		40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.	22	8,229.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

REGIONAL DEVELOPMENT COMPANY

Form 4562 (2008)

F/K/A NW INDIANA REGIONAL DEVELOPMENT CO

35-1939664 Page 2

Part V Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement)**Note:** For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable**Section A - Depreciation and Other Information** (Caution: See the instructions for limits for passenger automobiles.)**24a** Do you have evidence to support the business/investment use claimed? ☐ Yes ☐ No **24b** If "Yes," is the evidence written? ☐ Yes ☐ No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
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25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use**25****26** Property used more than 50% in a qualified business use:

		%						
		%						
		%						

27 Property used 50% or less in a qualified business use:

		%			S/L -		
		%			S/L -		
		%			S/L -		

28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1**28****29** Add amounts in column (i), line 26. Enter here and on line 7, page 1**29****Section B - Information on Use of Vehicles**

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person.

If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle	(b) Vehicle	(c) Vehicle	(d) Vehicle	(e) Vehicle	(f) Vehicle
30 Total business/investment miles driven during the year (do not include commuting miles)						
31 Total commuting miles driven during the year						
32 Total other personal (noncommuting) miles driven						
33 Total miles driven during the year. Add lines 30 through 32						
34 Was the vehicle available for personal use during off-duty hours?	Yes	No	Yes	No	Yes	No
35 Was the vehicle used primarily by a more than 5% owner or related person?						
36 Is another vehicle available for personal use?						

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons.

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use?		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.**Part VI Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
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42 Amortization of costs that begins during your 2008 tax year:

43 Amortization of costs that began before your 2008 tax year**43****44** Total. Add amounts in column (f). See the instructions for where to report**44**

AMENDED AND RESTATED BYLAWS
OF
REGIONAL DEVELOPMENT COMPANY
AN INDIANA NONPROFIT CORPORATION

ARTICLE I
GENERAL PROVISIONS

Section 1: Name

This organization is incorporated under the provisions of the Indiana Nonprofit Corporation Act of 1991 ("the Act") and shall be known as Regional Development Company, hereinafter referred to as "Corporation."

Section 2: Type of Corporation

The Corporation is a public benefit corporation, which is organized for a public or charitable purpose. As a public benefit corporation upon the corporation's dissolution, the corporation must distribute the corporation's assets to an organization organized for a public or charitable purpose, a religious corporation, the United States, a state, or a person that is recognized exempt under Section 501(c)(3) of the Internal Revenue Code of 1986 (the "Code").

Section 3: Purposes

This Corporation is organized exclusively for charitable and educational purposes, as set forth in Article II of the Articles of Incorporation. Pursuant to this Article, the general purpose of the Corporation is to further the economic development and social welfare of Northwest Indiana and its environs by:

- a.) promoting and assisting the growth and development of business concerns within the geographic area, including small business concerns, entity's owned by minorities and women and business concerns located within economically disadvantaged or depressed areas.
- b.) benefiting the community of Northwest Indiana by fostering increased employment opportunities and the expansion of labor pools and labor skills through the education of individuals, financial institutions and the business community.

This Corporation will likewise promote and develop any other type of charitable and educational work within the limits and restrictions provided by the laws of the State of Indiana and not inconsistent with the provisions of Section 501(c)(3) of the Internal Revenue Code and shall do any and all things necessary, convenient and/or expedient, as permitted by the "Act" and

the provisions of Section 501(c)(3) of the Internal Revenue Code for the accomplishment of any of the purposes, or the furtherance of any of the powers hereinabove set forth, either alone or in association with other corporations, firms or individuals.

In accomplishing this purpose the Corporation may, among other things.

- a.) Establish programs to identify entrepreneurs with marketable ideas.
- b.) Support organizations and the development of new business enterprises.
- c.) Assist business establishments in creating viable business plans to assure the future development and expansion of Northwest Indiana.
- d.) Conduct conferences and seminars to provide entrepreneurs with access to community organizations and leaders possessing specialized expertise.
- e.) Educate financial institutions, individual businesses and other members of the business community in the mechanics of obtaining necessary financing and the various financing alternatives available.
- f.) Establish and maintain a large network of public, private and educational resources to assist the organization and development of new enterprises.
- g.) Contribute to the operation of small business assistance programs and centers to provide small businesses, including minority owned businesses, with access to managerial and technical expertise.
- h.) Provide assistance in resolving the many problems encountered by small business.
- i.) Cooperate with community groups to innovate new development.
- j.) Promote any small and minority business assistance programs.
- k.) Encourage the development of economically disadvantaged or depressed areas, whether rural or urban, within Northwest Indiana attempting to promote higher employment and salaries within these areas.

In order to best accomplish its purposes the Corporation intends to qualify as a Certified Development Corporation (CDC) pursuant to Title V of the Small Business Investment Act of 1958, as amended, and the Corporation shall be governed by the requirements of Section 503, 504, 505 and related Sections of such act, as well as all standard operating procedures (SOP's) which are applicable to CDC's (the "requirements of the SBA").

Section 4: Limitation of Methods

The Corporation shall have, exercise and enjoy all rights and powers provided under the Act and other applicable laws of the State of Indiana. The Corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization exempt under Section 501(c)(3) of the Internal Revenue Code of 1986 as amended, and the regulations thereunder. The Corporation shall comply with all requirements of the SBA. The powers of the Corporation shall include, but in no way be limited to the following:

- a.) To provide facilities, personnel, services and funds to achieve the purpose of the Corporation.
- b.) To receive any real or personal property, tangible or intangible, by gift, grant, devise or bequest for any individual, government entity, foundation or corporation, either public or private.
- c.) To enter into, make and perform contracts of every kind and description.
- d.) To borrow or raise monies for any of the purposes of the Corporation and, from time to time without limit as to amount, to draw, make, accept, endorse, execute and issue promissory notes, drafts, bills of exchange, warrants, bonds, debentures and other indebtedness, and to secure payment of any of the foregoing and of the interest thereon by mortgage upon or pledged, conveyance or assignment in trust of the full or part of the property of the Corporation, whether at the time owned or thereafter acquired, and to sell, pledge or otherwise dispose of such bonds or other obligations of the Corporation for its corporate purposes.
- e.) To lend to any person, firm or corporation any of its funds.
- f.) To have one or more offices and to purchase or otherwise acquire, hold, own mortgage, sell, convey or otherwise dispose of real and personal property.
- g.) To acquire, construct, convert, or expand plant facilities for lease or sale.
- h.) To make grants, gifts, payments or monetary or non-monetary contributions for exclusively charitable or educational purposes.

ARTICLE II

OFFICE AND BOUNDARIES

Section 1: Office

The principal office of the Corporation shall be located in the State of Indiana in the City of Portage, County of Porter, or other such place as the Board of Directors shall from time to time determine.

Section 2: Place of Business

The Corporation shall maintain an accessible place of business to open to the public during regular business hours and maintain a staff adequate to perform any required business transaction. The Corporation will maintain a separately listed telephone number.

Section 3: Boundaries

The territories in which the operations of the Corporation are principally to be conducted are the seven (7) counties of Lake, Porter, LaPorte, Jasper, Newton, Starke and Pulaski in the State of Indiana. The Corporation may also conduct business in other counties of the State of Indiana at the discretion of the Board of Directors.

ARTICLE III

MEMBERSHIP

Section 1: Members

There shall be only one (1) class of members and there shall never be less than twenty five (25) members in number. The members shall be individuals and shall be fairly representative of the seven (7) county areas in which the Corporation principally operates and shall represent the following four (4) groups: government, private-sector lending institutions, community organizations and business organizations. If a member's county or group of representation should change, the renewal of that member's membership shall be reconsidered by the Members at the end of the year in which said change occurred. The Corporation shall not be dissolved nor shall the validity of any act of the Corporation or its members be in any way affected in the event of vacancies in the membership.

Each member shall act in accordance with the Articles of Incorporation of the Corporation. No one corporation or business entity shall ever maintain or control greater than ten percent (10%) of the membership. No staff member or employee of the Corporation may qualify as a member of the Corporation for the purpose of meeting the membership requirements.

Section 2: Method of Election, Term of Office

Applications for membership shall be in writing on forms provided for that purpose and signed by the applicant. Each application shall indicate the applicant's name, address, occupation and telephone number. The application for membership may be approved or rejected at any regular meeting of the membership by a majority vote. Memberships shall expire

annually and will be renewed with the annual consent of the members. The decision by the members not to renew a member's membership at the end of a year shall not be treated as an expulsion or suspension as provided for within Article III, Section 4, and hence the procedures outlined within Section 4 need not be followed. Members renewing their membership in consecutive years shall not be required to file an additional application for membership.

Section 3: Membership Resignation

Any member may resign at any time. The resignation of a member does not relieve that member from any obligations the member may have incurred to the Corporation prior to the resignation. Any member may terminate his/her membership at any time by notice in writing to the Board of Directors, the Chairman of the Board, or the President. Unless otherwise specified in such notice, such resignation shall take effect upon receipt thereof by the Board or any such officer.

Section 4: Membership Termination

Any member may be expelled or suspended by a majority vote by the Board of Directors, provided that the membership termination is fair and reasonable and carried out in good faith. In order for a member to be expelled or suspended, the following procedures must be adhered to:

- a.) Governance Committee must review the member's performance, conduct and alleged reason or causes for expulsion or suspension.
- b.) After full review, the Governance Committee must make a written recommendation with regard to the member and forward that recommendation to the Executive Committee.
- c.) Executive Committee must review the member's performance, conduct, alleged reason or causes for expulsion or suspension and the Governance Committee's recommendation.
- d.) After full review, the Executive Committee must make a written recommendation with regard to the member and forward that recommendation to the Board of Directors, in order for the Board of Directors to make a final determination to expel or suspend the member.
- e.) Written notice must be provided to the member at the last address as listed on the Corporation's records, not less than fifteen (15) days prior to the expulsion or suspension of the member by the Board of Directors.
- f.) Written notice to the member must provide full reasons for the proposed expulsion or suspension.

g.) An opportunity for the member to be heard, orally or in writing, not less than five (5) days prior to the expulsion or suspension before the Board of Directors must be provided.

h.) A consideration by the Board of Directors of all the surrounding relevant facts and circumstances must be made, in addition to the recommendation of the Executive Committee.

i.) After full review, the Board of Directors must make a written determination regarding the member and forward that written determination to the member.

The expulsion or suspension of a member does not relieve that member from any obligations the member may have incurred to the Corporation prior to termination.

Section 5: Powers and Voting Rights

In any proceeding in which voting by members is called for, each member shall be entitled to one (1) vote. No member may control more than ten percent (10%) of the total outstanding membership of the Corporation. No officer, director, member or group of members controlling as much as ten percent (10%) of the voting power of the Corporation may be an officer, director, or holder of a direct pecuniary interest in any small business concern assisted by the Corporation. Ownership of a direct pecuniary interest includes ownership by a close relative.

ARTICLE IV

MEMBERSHIP MEETINGS

Section 1: Annual Meetings

The annual meeting of members for the purposes of electing new members, Directors, and for the transaction of such other business as may properly come before the meeting, shall be held on or about the third Thursday of every January in each year, or shall be held at such time and place within or without the State of Indiana, as shall be designated by the Board of Directors and specified in the notice of such meeting or waiver of notice thereof.

Section 2: Delayed Annual Meeting

If, for any reason, the annual meeting of the members shall not be held on or about the day hereinbefore designated, such meeting may be called and held as a special meeting, and the same proceedings may be had at such meeting as at an annual meeting, provided however, that the notice of such meeting shall be proper.

Section 3: Special Meetings

Special meetings of members may be called at any time by the Chairman of the Board, the President, by a majority of the Board of Directors, or by written petition signed by not less than one-third (1/3) of the Corporation's members entitled to vote.

Section 4: Place of Meeting

The Board of Directors may designate any place, either within or outside of the State of Indiana, as to the place of meeting for any annual or for any special meeting. If no designation is made, the place of the meeting for any annual or special meeting shall be the principal office of the Corporation in the State of Indiana.

Section 5: Notice of Meetings

Notice shall be given to every member of an annual or special meeting of members. Such notice shall be served personally, by first class mail or by e-mail upon each member entitled to vote at such meeting, not less than five (5) days before the meeting. If notice is mailed or sent by e-mail, such notice shall be directed to each such member at his last known address as it appears on the books or records of the Corporation. Such notice shall state the time and place of the meeting, and, if the meeting is a special meeting, the notice shall briefly state the purposes of that special meeting. Unless otherwise provided by law, no notice of the time, place, or purpose of any meeting need be given to any member who attends such meeting in person or proxy, or to any member who, either before or after such meeting, waives notice of that meeting.

Section 6: Quorum

At any duly called meeting of the members, a quorum of the membership, which shall at all times be at least fifty-one percent (51%) of the members, must be either physically present or present by proxy, throughout the entire meeting, in order to transact the business of the Corporation. Once a quorum has been duly constituted at any meeting of the members, a majority vote of at least fifty-one percent (51%) of such quorum shall be required for passage of any resolution or approval of any action or business which may come before the membership at any meeting which has been duly called and a quorum duly constituted.

Section 7: Proxies

At any meeting of members, a member entitled to vote may vote by proxy executed in writing by the members or his duly authorized attorney-in-fact. No proxy shall be valid after eleven (11) days from the date of its execution, unless otherwise provided in the proxy.

Section 8: Informal Action

Any action required by law to be taken at a meeting of the members or any action which may be taken at a meeting of the members may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof.

Section 9: Meeting Participation by Conference Telephone

Any or all of the members may participate in a meeting of the members by means of a conference telephone, video conference or similar communications equipment by which all persons participating in the meeting can communicate with each other and participation in this manner constitute presence in person at the meeting.

ARTICLE V

BOARD OF DIRECTORS

Section 1: General Powers

The property, business and affairs of the Corporation shall be managed by the Board of Directors. The Board of Directors shall have full power to act on behalf of the Corporation as permitted by the statutes of the State of Indiana, the Articles of Incorporation and these By-laws, as shall be amended from time to time.

Section 2: Number, Term of Office, Qualifications, and Method of Election

The Board of Directors shall at all time number at least five (5). Directors shall be members of the Corporation and must represent at least three (3) of the four (4) groups: government, private-sector lending institutions, community organizations and business organizations. No single membership group shall control the Board of Directors. No staff member or employee of the Corporation may be a voting member of the Board of Directors except for the President. At least one (1) member of the Board of Directors, other than the President must possess commercial lending experience. Whenever the Board of Directors is voting on an SBA 504 loan approval, application or servicing action, at least one (1) of those members of the board, other than the President, must have commercial lending experience and must be present and vote.

All Directors shall be responsible officials of the organization they represent and shall be involved in the economic development of the Corporation's area of operation. The Directors shall be chosen by a plurality of the votes cast, as defined in Article IV, Section 6, at the annual meeting of members entitled to vote. Each director shall hold office until the next annual meeting of the members and until his successor shall have been elected and qualified, or until his death, or until his resignation shall have become effective, or until he shall have been removed in the manner hereinafter provided, whichever is earliest. Any Director may serve consecutive terms.

No Director may also be an officer, director or manager in any other State sanctioned Certified Development Corporation.

Section 3: Annual Meetings

An annual meeting of the Board of Directors of the Corporation for the election of officers and the transaction of such other business as may properly come before the meeting shall be held immediately following the adjournment of the annual meeting of members and at the place where such membership meeting was held. Notice of such meeting or of any adjournment thereof need not be given. If for any reason such meeting shall not be held on the day specified herein, it may be held at a regular meeting, or at any other time or place which shall be specified in a notice given as hereinafter specified for special meetings of the Board, or in a consent and waiver of notice thereof signed by all the Directors.

Section 4: Regular Meetings

A regular meeting of the Board of Directors shall be held quarterly. The Board of Directors may provide by resolution the time and place for the holding of additional regular meetings.

Section 5: Special Meeting

Special meetings of the Board of Directors may be called at any time by the Chairman of the Board, the President, or any three (3) Directors and may be held at such time and place as may be specified in the respective notices or waivers of notice thereof.

Section 6: Notice of Special Meetings

Notice shall be given to every Director of a special meeting of the Board of Directors. Such notice shall be served personally, by first class mail or by e-mail upon each Director entitled to vote at such meeting, not less than five (5) days before the meeting. If notice is mailed or sent by e-mail, such notice shall be directed to each such Director at his last known address as it appears on the books or records of the Corporation. Such notice shall state the time and place of the meeting and shall also briefly state the purposes of that special meeting. Unless otherwise provided by law, no notice of the time, place, or purposes of any meeting of the Board of Directors need be given to any Director who attends such meeting, or to any Director who either before or after such meeting, waives notice of that meeting.

Section 7: Organization

At each meeting of the Board of Directors, the Chairman of the Board or, in his absence, the Vice Chairman of the Board, or, in the absence of both such officers, a chairman chosen by a majority of the Directors at such meeting shall act as Chairman of such meeting and preside thereat. The Secretary or, in his absence, any person whom the Chairman may appoint secretary of such meeting shall act as secretary of such meeting and keep the minutes thereof.

Section 8: Quorum

At all meetings of the Board of Directors the presence of not less than five (5) Directors shall be necessary and sufficient to constitute a quorum for the transaction of business. All board meetings require a quorum to transact business. A quorum must be present for the duration of

the meeting. In the absence of a quorum, those present may, without notice, adjourn the meeting.

Section 9: Voting

At all meetings of the Board of Directors at which a quorum is present all matters, except as otherwise expressly required by law or the Articles of Incorporation, shall be decided by the vote of a majority of at least fifty-one percent (51%) of the Directors present.

Section 10: Director Resignation

Any Director may resign at any time by notice in writing to the Board of Directors, the Chairman of the Board, or the President. Unless otherwise specified in such notice, such resignation shall take effect upon receipt thereof by the Board or any such officer. If any Director shall tender his resignation to take effect at a future time, the Board shall have power to elect a successor to take office at such time as the resignation shall become effective.

Section 11: Director Removal

Any Director may be removed, either for or without cause, at any time, by the majority vote of the members or the Board of Directors, at any special or regular meeting, and the vacancy in the Board of Directors caused by any such removal may be filled at such meeting.

Section 12: Vacancies

If any vacancy shall occur in the Board of Directors for any reason, such vacancy may be filled by appointment by the Board of Directors. Any person filling an interim vacancy must stand for election at the next annual or special meeting of the members, whichever comes first. The appointed Director shall serve the remaining term of the person whose vacancy was filled by the appointment. If a new position of the Board of Directors is created, it must be filled by a vote of the members at the next annual or special meeting of the members, whichever comes first.

Section 13: Compensation

A Director shall not receive, directly or indirectly, any salary or compensation from the Corporation unless authorized by the majority vote of the members or the Board of Directors. Directors shall be entitled to be reimbursed for expenses incurred by the Director.

Section 14: Informal Action

Any action required by law to be taken at a meeting of the Board of Directors, or any action which may be taken at a meeting of the Board of Directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors entitled to vote with respect to the subject matter thereof.

Section 15: Meeting Participation by Conference Telephone

Any or all of the Board of Directors may participate in a meeting of the Board of Directors by means of a conference telephone, video conference or similar communications equipment by which all persons participating in the meeting can communicate with each other, and participation in this manner constitute presence in person at the meeting.

Section 16: Conflict of Interest

There must be no actual or apparent conflict of interest with respect to any actions of the Board of Directors.

ARTICLE VI

OFFICERS

Section 1: Number

The officers of the Corporation shall be the Chairman of the Board, the Past Chairman of the Board, the Vice Chairman of the Board, the President, the Secretary, the Treasurer, and such other officers as the Board of Directors may deem necessary.

Section 2: Election, Term of Office, and Qualifications

Each officer, (unless otherwise appointed) shall be elected by the Board of Directors at the annual meeting. Each such officer shall hold his office until the next annual meeting of the Board of Directors or until his successor shall have been elected and qualified. Any officer may serve consecutive terms.

Section 3: Other Officers and Agents

The Board of Directors may appoint such other officers or agents as it may deem advisable, each of whom shall have such title, hold office for such period, have such authority, and perform such duties as the Board of Directors may from time to time designate.

Section 4: Resignations

Any officer may resign at any time by giving notice in writing to the Board of Directors. Unless otherwise specified in such written notice, such resignation shall take effect upon receipt thereof by the Board of Directors.

Section 5: Removal

Any officer or agent may be removed, either for or without cause, by the Board of Directors at any meeting.

Section 6: Vacancies

A vacancy in any office for any reason may be filled by appointment by the Board of Directors. The appointed officer shall serve the remaining term of the person whose vacancy was filled by the appointment.

Section 7: The Chairman of the Board

The Chairman of the Board shall preside at all meetings of the Board of Directors and the Executive Committee. He shall advise with the other officers of the Corporation on matters of policy. The Chairman of the Board shall see that all orders and resolutions of the Board of Directors are carried into effect in an orderly and timely fashion. The Chairman of the Board shall have such other powers and perform such other duties as may be incidental to his office or as from time to time assigned to him by the Board of Directors.

Section 8: The Past Chairman of the Board

The Past Chairman of the Board shall have such powers and perform such duties as may be assigned to him by the Board of Directors from time to time.

Section 9: The Vice Chairman of the Board

The Vice Chairman of the Board shall serve in place of the Chairman of the Board whenever necessary. The Vice Chairman of the Board shall have such other powers and perform such other duties as may be incidental to his office or as from time to time assigned to him by the Board of Directors.

Section 10: The President

The President shall be the principal executive officer of the Corporation and shall have the general charge and control of the property of the Corporation, the day to day operations of the Corporation and the agents and employees of the Corporation, all subject to the direction of the Board of Directors. The President may sign and execute, in the name of the Corporation all deeds, mortgages, bonds, contracts, agreements, and other instruments arising within the every day operations of the Corporation, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer of the Corporation. The President shall have such other powers and perform such other duties as may be incidental to his office or as from time to time may be assigned to him by the Board of Directors. The President may also refer to himself as the Executive Director.

Section 11: The Secretary

The Secretary shall record all the proceedings of the meetings of members and Board of Directors in the record book of the Corporation and shall retain those records at the principal office of the Corporation. The Secretary may sign and execute, in the name of the Corporation all deeds, mortgages, bonds, contracts, agreements and other instruments arising within the every

day operations of the Corporation, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors to some other officer of the Corporation. The Secretary shall have such other powers and perform such other duties as may be incidental to his office or as from time to time may be assigned to him by the Board of Directors.

Section 12: The Treasurer

The Treasurer shall assist the Corporation in properly keeping accurate and full accounts of receipts and disbursements in books belonging to the Corporation. The Treasurer shall have such other powers and perform such other duties as may be incidental to his office, or as from time to time may be assigned to him by the Board of Directors.

ARTICLE VII

COMMITTEES

Section 1: General Powers

The Board of Directors may designate and grant authority to one or more committees. Upon creating such committees, the Board shall define the responsibilities of such committee or committees, delegate to such committee or committees' powers as the Board of Directors determines to be appropriate and appoint directors and/or non-directors to serve on each committee, except that at no time may the Board of Directors delegate management authority to any committee other than the Executive Committee and at no time may the Board of Directors delegate loan making, approval and servicing decisions to any committee other than the Loan Committee. At all times the Executive Committee and the Loan Committee must meet the requirements outlined below. These committees shall include the following:

a.) Executive Committee.

Duties The Executive Committee shall have power to transact all necessary business of the Corporation between meetings of the Board of Directors. The Executive Committee shall report its actions to the Board of Directors at the next scheduled meeting of the Board of Directors.

Membership. The Executive Committee shall consist of the Chairman of the Board, the Past Chairman of the Board, the Vice Chairman of the Board, the President, the Secretary and the Treasurer. The Executive Committee must meet the same requirements as the Board of Directors. Particularly, in the event that the Board of Directors does establish a committee with authority to make management decisions the committee must have at least three (3) of the four (4) membership groups represented on the committee; no single membership group shall control the committee; no staff member or employee of the Corporation may be a member of the committee except for the President; at least one (1) member of the committee other than the President shall possess commercial

lending experience; the committee shall have at least five (5) Directors as members; the committee must meet at least quarterly; and the quorum requirements must consist of at least four (4) committee members where any decision of the Executive Committee must be decided by the vote of a majority of at least fifty-one percent (51%) of the quorum.

b.) Nominating Committee.

Duties. The Nominating Committee shall secure the names of nominees to fill the membership of the Board of Directors.

Membership. The Nominating Committee shall consist of at least five (5) members of the Board of Directors, all of whom shall be appointed by the President. The Nominating Committee shall present a slate of directors for election to the membership at the annual meeting of the members. In addition to such slate of directors submitted by the Nominating Committee, at the annual meeting any member may nominate, with a second, any other member or members to be voted upon by the membership, provided that the membership gives full consideration to the membership requirements of the Board of Directors. The nominating committee shall conspicuously post a list of its nominees for election at least ten (10) days in advance of the annual meeting of the members at the principal office of the Corporation. At least one (1) member of the Nominating Committee shall also be a member of the Governance Committee. A quorum of at least three (3) members of the Nominating Committee must be present for the transaction of any business and any decision of the Nominating Committee must be decided by the vote of a majority of at least fifty-one percent (51%) of the quorum.

c.) Loan Committee.

Duties. The Loan Committee shall approve and endorse any and all applications for loans coming before the Corporation.

Membership The Loan Committee shall consist of at least five (5) and no more than seventeen (17) members of the Corporation or the Board of Directors. The Loan Committee may be comprised of members of the Corporation who are not members of the Board of Directors, but all members of the Loan Committee must live or work in the seven (7) county area in which the Corporation operates. The Loan Committee must report to the Board of Directors. At all times, at least one (1) member of the Loan Committee must have commercial lending experience. No staff member or employee of the corporation may be a member of the Loan Committee. The Loan Committee must be comprised of at least five (5) members and a quorum must have at least five (5) committee members authorized to vote present at the meeting, whereas at least one (1) of those

members voting must have commercial lending experience. Any decision of the Loan Committee must be decided by the vote of a majority of at least fifty-one percent (51%) of the quorum. The Corporation's Board of Directors must ratify the actions of the Loan Committee on at minimum a quarterly basis.

d.) Audit Committee.

Duties. The Audit Committee shall on an annual basis recommend the hiring of an independent accounting firm to audit the books and records of the Corporation. The Audit Committee shall meet with that independent accounting firm, review the Corporation's annual audited financial statements, review the annual management letter, submit all said documents to the Board of Directors on a timely basis and recommend the approval or modification of the documents to the Board of Directors. The Audit Committee shall monitor all federal and state compliance and tax matters, as well as any SBA external or internal audit. The Audit Committee shall develop, adopt, implement, oversee, disclose and enforce the Corporation's "Whistle-Blower Protection Policy" to deal with and process all complaints filed by a member, board member, committee member, staff member, officer or employee, making sure that retaliation does not occur. The chairperson of the Audit Committee shall specifically address all such complaints brought to the attention of the Audit Committee.

Membership. The Audit Committee shall consist of at least three (3) members of the Board of Directors. No staff member or officer of the Corporation can serve on the Audit Committee and all members of the Audit Committee must be independent of the offices and staff of the Corporation. All members of the Audit Committee shall be free from conflicts of interest and they shall not receive any compensation for their service on the committee. At least one (1) member of the Audit Committee must have extensive financial expertise and experience. A quorum of at least fifty-one percent (51%) of the members of the Audit Committee must be present for the transaction of any business and any decision of the Audit Committee must be decided by the vote of a majority of at least fifty-one percent (51%) of the quorum.

e.) Governance Committee.

Duties. The Governance Committee shall focus on the governance of the Corporation, including a review of all governing documents of the Corporation every two (2) years. The Governance Committee shall review and maintain core governance issues pertaining to the Corporation including all governing documents of the Corporation, the criteria and

evaluations of the members of the Board of Directors, the appropriateness of the size and composition of the membership and Board of Directors of the Corporation, the function and structure of the various committees, the effectiveness of the Corporation's procedures and policies, and the Corporation's compliance with the requirements of the SBA.

Membership. The Governance Committee shall consist of at least three (3) members of the Board of Directors. No staff member or employee of the Corporation can serve on the Governance Committee. At least one (1) member of the Governance Committee shall also be a member of the Nominating Committee. A quorum of at least fifty-one percent (51%) of the members of the Governance Committee must be present for the transaction of any business and any decision of the Governance Committee must be decided by the vote of a majority of at least fifty-one percent (51%) of the quorum.

f.) Marketing Committee.

Duties. The Marketing Committee shall establish the Corporation's ongoing marketing program.

Membership. The Marketing Committee shall consist of at least three (3) members of the Board of Directors. A quorum of at least fifty-one percent (51%) of the members of the Marketing Committee must be present for the transaction of any business and any decision of the Marketing Committee must be decided by the vote of a majority of at least fifty-one percent (51%) of the quorum.

g.) Finance Committee.

Duties. The Finance Committee shall establish the Corporation's annual budget, determine and/or review the compensation of all officers and staff members of the Corporation, and manage the filing of all federal and state tax returns.

Membership. The Finance Committee shall consist of the Treasurer and at least three (3) members of the Board of Directors. No staff member or employee of the Corporation, except for any officer of the Corporation, can serve on the Finance Committee. The Treasurer shall serve as the chairman of the Finance Committee. A quorum of at least fifty-one (51%) of the members of the Finance Committee must be present for the transaction of any business and any decision of the Finance Committee must be decided by the vote of a majority of at least fifty-one percent (51%) of the quorum.

h.) Contribution Committee.

Duties. The Contribution Committee shall evaluate and recommend other non-profit organizations and charitable causes the Corporation should support and assist.

Membership. The Contribution Committee shall consist of at least three (3) members of the Board of Directors. A quorum of at least fifty-one percent (51%) of the members of the Donation Committee must be present for the transaction of any business and any decision of the Donation Committee must be decided by the vote of a majority of at least fifty-one percent (51%) of the quorum. The Corporation's Board of Directors must ratify the actions of the Contribution Committee on at minimum a quarterly basis.

Section 2: Resignations

Any member of a committee may resign at any time by giving notice in writing to the Chairman of the Board, the chairperson of the committee, or the President. Unless otherwise specified in such written notice, such resignation shall take effect upon receipt thereof by the chairperson of the committee or any such other named officer.

Section 3: Removal

Any committee member may be removed, either for or without cause, by the Board of Directors at any meeting.

Section 4: Vacancies

A vacancy in any committee for any reason may be filled for the unexpired portion of the term by the Board of Directors.

Section 5. Meeting Participation by Conference Telephone

Any or all of the members of a committee designated by the Board of Directors may participate in a meeting of the committee by means of a conference telephone, video conference or similar communications equipment by which all persons participating in the meeting can communicate with each other and participation in this manner constitute presence in person at the meeting.

ARTICLE VIII

STAFF

Section 1: Capability

The Corporation shall at all times make available a full-time professional staff as needed for carrying out the purposes of this Corporation. The staff shall have the technical ability to properly pursue the purposes of the Corporation, which includes the capability to provide lending advice and services to small business concerns located in the territories of the Corporation.

Section 2: Number and Qualification

The number of the staff and appointment of officers shall be determined by the Board of Directors, or any appropriate committee thereof, provided, however, that at all times the Corporation shall have a full-time professional President and/or Executive Director and a qualified full-time professional staff to market the 504 loan program, package and process, close and service such loans. Regardless of the number of the staff, the staff shall be sufficiently qualified, based upon their education and experience, to perform to the requirements of the SBA.

ARTICLE IX

GENERAL PROVISIONS

Section 1: Deposits

All funds of the Corporation not otherwise employed shall be deposited from time to time to its credit in such banks or trust companies or with other depositaries as the Board of Directors may select, or as may be selected by any officer or officers or agent or agents authorized by the Board. For the purpose of deposit and for the purpose of collection for the account of the Corporation, checks, drafts, and other orders for the payment of money which are payable to the order of the Corporation may be endorsed, assigned, and delivered by an officer or agent of the Corporation.

Section 2: Checks, Draft, Etc.

All checks, drafts, or other orders for the payment of money, and all notes or other evidence or indebtedness issued in the name of the Corporation shall be signed by such officer or officers or agent or agents of the Corporation and in such manner as from time to time shall be determined by the Board of Directors.

Section 3: Securities or Other Corporations

Stock certificates, notes, bonds or other securities held or owned by the Corporation may be sold, transferred, or otherwise disposed of when properly endorsed by such officer or officers or agent or agents of the Corporation, and in such manner, as shall be determined from time to time by the Board of Directors.

Section 4: Corporate Seal

The corporate seal, if any, shall be circular in form and shall bear the name of the Corporation and words and figures denoting its organization under the laws of the State of Indiana and the year thereof.

Section 5: Fiscal Year

The fiscal year of the Corporation shall end on September 30.

ARTICLE X

Indemnification of Members, Directors and Officers

Section 1: Definitions

For purposes of this Article X, the following terms shall have the following meanings:

- (a) "Liabilities" and "Expenses" shall mean monetary obligations incurred by or on behalf of a member, director or officer in connection with the investigation, defense or appeal of a Proceeding or in satisfying a claim thereunder and shall include, but shall not be limited to, attorneys' fees and disbursements, amounts of judgments, fines or penalties, excise taxes assessed with respect to an employee benefit plan and amounts paid in settlement by or on behalf of a member, director or officer.
- (b) "Other Enterprise" shall mean any Corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, whether for profit or not, for which a member, director or officer is or was serving, at the request of the Corporation, as a member, director, officer, partner, trustee, employee or agent.
- (c) "Proceeding" shall mean any claim, action, suit or proceeding (whether brought by or in the right of the Corporation or Other Enterprise or otherwise), civil, criminal, administrative or investigative, whether formal or informal, and whether actual or threatened or in connection with an appeal relating thereto, in which a member, director or officer may become involved, as a party or otherwise, (i) by reason of his or her being or having been a member, director or officer of the Corporation (and, if applicable, an employee or agent of the Corporation) or a member, director, officer, partner, trustee, employee or agent of an Other Enterprise or arising out of his or her status as such, or (ii) by reason of any past or future action taken or not taken by a member, director or officer in any such capacity, whether or not he or she continues to be such at the time he or she incurs Liabilities and Expenses under the Proceeding.
- (d) "Standard of Conduct" shall mean that a member, director or officer, based on facts then known to the member, director or officer, discharged the duties as a member, director or officer, including duties as a member of a committee, in good

faith in what he or she reasonably believed to be in or not opposed to the best interests of the Corporation or Other Enterprise, as the case may be, and, in addition, in any criminal Proceeding had no reasonable cause to believe that his or her conduct was unlawful. The termination of any Proceeding, by judgment, order, settlement (whether with or without court approval) or conviction or upon a plea of guilty, shall not create a presumption that the member, director or officer did not meet the Standard of Conduct. The termination of any Proceeding by a consent decree or upon a plea of nolo contendere, or its equivalent, shall create the presumption that the member, director or officer met the Standard of Conduct.

Section 2: Indemnification

If a member, director or officer is made a party to or threatened to be made a party to any Proceeding, the Corporation shall indemnify the member, director or officer against Liabilities and Expenses incurred by him or her in connection with such Proceeding in the following circumstances:

- (a) If a member, director or officer has been wholly successful on the merits or otherwise with respect to any such Proceeding, he or she shall be entitled to indemnification for Liabilities and Expenses as a matter of right. If a Proceeding is terminated against the member, director or officer by consent decree or upon a plea of nolo contendere, or its equivalent, the member, director or officer shall not be deemed to have been "wholly successful" with respect to such Proceeding;
- (b) In all other situations, a member, director or officer shall be entitled to indemnification for Liabilities and Expenses as a matter of right unless (i) the member, director or officer has breached or failed to perform his or her duties as a member, director or officer in compliance with the Standard of Conduct and (ii) with respect to any action or failure to act by the member, director or officer which is at issue in such Proceeding, such action or failure to act constituted willful misconduct or recklessness. To be entitled to indemnification pursuant to this Section 2(b), the member, director or officer must notify the Corporation of the commencement of the Proceeding in accordance with Section 5 of this Article X and request indemnification. A review of the request for indemnification and the facts and circumstances underlying the Proceeding shall be made in accordance with one of the procedures described below; and the member, director or officer shall be entitled to indemnification as a matter of right unless, in accordance with such procedure, it is determined beyond a reasonable doubt that (i) the member, director or officer breached or failed to perform the duties of the office in compliance with the Standard of Conduct, and (ii) the breach or failure to perform constituted willful misconduct or recklessness. Any one of the following procedures may be used to make the review and determination of a member's, director's or officer's request for indemnification under this Section 2(b):

- (i) by the Board of Directors by a majority vote of a quorum consisting of directors who are not parties to, or who have been wholly successful with respect to, such Proceeding;
- (ii) if a quorum cannot be obtained under (i) above, by a majority vote of a committee duly designated by the Board of Directors (in the designation of which, directors who are parties to such Proceeding may participate), consisting solely of two or more directors who are not parties to, or who have been wholly successful with respect to, such Proceeding;
- (iii) by independent legal counsel selected by a majority vote of the full Board of Directors (in which selection, directors who are parties to such Proceeding may participate); or
- (iv) by a committee consisting of three (3) or more disinterested persons selected by a majority vote of the full Board of Directors (in which selection, directors who are parties to such Proceeding may participate).

Any determination made in accordance with the above procedures shall be binding on the Corporation and the member, director or officer;

- (c) If several claims, issues or matters of action are involved, a member, director or officer may be entitled to indemnification as to some matters even though he or she is not entitled to indemnification as to other matters;
- (d) The indemnification herein provided shall be applicable to Proceedings made or commenced after the adoption of this Article X, whether arising from acts or omissions to act which occurred before or after the adoption of this Article X.

Section 3: Prepaid Liabilities and Expenses

The Liabilities and Expenses which are incurred or are payable by a member, director or officer in connection with any Proceeding shall be paid by the Corporation in advance, with the understanding and agreement between such member, director or officer and the Corporation that, in the event it shall ultimately be determined as provided herein that the member, director or officer was not entitled to be indemnified, or was not entitled to be fully indemnified, the member, director or officer shall repay to the Corporation such amount, or the appropriate portion thereof, so paid or advanced.

Section 4: Exceptions to Indemnification

Notwithstanding any other provisions of this Article X to the contrary, the Corporation shall not indemnify a member, director or officer:

- (a) For any Liabilities or Expenses for which payment is actually made to or on behalf of a member, director or officer under a valid and collectible insurance policy, except in respect of any excess beyond the amount of payment under such insurance policy; or
- (b) For any Liabilities or Expenses incurred in a suit or claim against the member, director or officer arising out of or based upon actions attributable to the member, director or officer in which the member, director or officer gained any personal profit or advantage to which he or she was not legally entitled.

Section 5: Notification and Defense of Proceeding

Promptly after receipt by a member, director or officer of notice of the commencement of any Proceeding, the member, director or officer will, if a request for indemnification in respect thereof is to be made against the Corporation under this Article X, notify the Corporation of the commencement thereof, but the failure to so notify the Corporation will not relieve it from any obligation which it may have to the member, director or officer under this Article X or otherwise. With respect to any such Proceeding as to which the member, director or officer notifies the Corporation of the commencement thereof:

- (a) The Corporation will be entitled to participate therein at its own expense; and
- (b) Except as otherwise provided below, to the extent that it may so desire, the Corporation, jointly with any other indemnifying party similarly notified, will be entitled to assume the defense thereof, with counsel reasonably satisfactory to the member, director or officer. After notice from the Corporation to the member, director or officer of its election to assume the defense of the member, director or officer in the Proceeding, the Corporation will not be liable to the member, director or officer under this Article X for any legal or other Expenses subsequently incurred by the member, director or officer in connection with the defense thereof other than reasonable costs of investigation or as otherwise provided below. The member, director or officer shall have the right to employ counsel in such Proceeding, but the Expenses of such counsel incurred after notice from the Corporation of its assumption of the defense thereof shall be at the expense of the member, director or officer unless:
 - (i) the employment of counsel by the member, director or officer has been authorized by the Corporation; or

- (ii) the member, director or officer shall have reasonably concluded that there may be a conflict of interest between the Corporation and the member, director or officer in the conduct of the defense of such Proceeding; or
- (iii) the Corporation shall not in fact have employed counsel to assume the defense of such Proceeding;

in each of which cases the Expenses of counsel employed by the member, director or officer shall be paid by the Corporation. The Corporation shall not be entitled to assume the defense of any Proceeding brought by or in the right of the Corporation or as to which the member, director or officer shall have made the conclusion provided for in (ii) above; and

- (c) The Corporation shall not be liable to indemnify a member, director or officer under this Article X for any amounts paid in settlement of any Proceeding without the Corporation's prior written consent. The Corporation shall not settle any action or claim in any manner which would impose any penalty or limitation on a member, director or officer without the member's, director's or officer's prior written consent. Neither the Corporation or a member, director or officer will unreasonably withhold its or his or her consent to any proposed settlement.

Section 6: Other Rights and Remedies

The rights of indemnification provided under this Article X are not exhaustive and shall be in addition to any rights to which a member, director or officer may otherwise be entitled by contract or as a matter of law. Irrespective of the provisions of this Article X, the Corporation may, at any time and from time to time, indemnify members, directors, officers, employees and other persons to the full extent permitted by the provisions of the Act, or any successor law, as then in effect, whether with regard to past or future matters.

Section 7: Continuation of Indemnity

All obligations of the Corporation under this Article X shall survive the termination of a member's, director's or officer's service in any capacity covered by this Article X.

Section 8: Insurance

The Corporation may purchase and maintain insurance on behalf of any member, director, officer, employee or other person or any person who is or was serving at the request of the Corporation as a member, director, officer, partner, trustee, employee or agent of an Other Enterprise against any liability asserted against such person and incurred by such person in any capacity or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify such person against such liability under the provisions of applicable law, this Article X or otherwise.

Section 9: Benefit

The provisions of this Article X shall inure to the benefit of each member, director or officer and his or her respective heirs, personal representatives and assigns and the Corporation and its successors and assigns.

Section 10: Severability

In case any one or more of the provisions contained in this Article X shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Article X, but this Article X shall be construed as if such invalid, illegal or unenforceable provision or provisions had never been contained herein.

ARTICLE XI

Code of Conduct

Section 1: Purpose

The purpose of the Code of Conduct is to assure that all Participants (as defined below) associated with the Corporation act ethically and exhibit good character throughout their affiliation with the Corporation. This policy is intended to supplement, but not replace, any applicable state or federal laws, the requirements of the SBA, or the requirements of any other employment or contractual agreements.

Section 2: Definitions

For purpose of this Article XI, the following terms shall have the following meanings:

- (a) "Code of Conduct" shall mean the policies as outlined within this Article XI, including all provisions regarding Conflict of Interest and the inappropriate disclosure of Confidential Information.
- (b) "Confidential Information" shall mean any information not generally known to the persons outside of the Corporation or the entity or organization with whom the information is about, whereas the Corporation and/or such entity or organization considers the information confidential and the disclosure of such information has an impact upon some party's competitive advantage.
- (c) "Compensation" shall mean direct or indirect remuneration as well as gifts or favors that are not insubstantial.
- (d) "Financial Interest" shall mean any person who has, directly or indirectly, through business, investment, or family relationship, any of the following:

- (i) An ownership or investment interest in any entity with which the Corporation has a transaction or arrangement; or
- (ii) A Compensation arrangement with any entity or individual with which the Corporation has a transaction or arrangement; or
- (iii) A potential ownership or investment interest in, or Compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement.

A Financial Interest is not necessarily a conflict of interest. Under this Article XI, a person who has a Financial Interest may have a conflict of interest only if the Governance Committee decides that a conflict of interest exists.

- (e) “Interested Person” shall mean any Participant who has a direct or indirect Financial Interest.
- (f) “Participant” shall mean a member, director, officer, committee member or employee of the Corporation.

Section 3: Conduct

A Participant may not:

- (a) Self-deal;
- (b) Have a real or apparent conflict of interest with the Corporation;
- (c) Own an equity interest in a business that has received or is applying to receive financing assistance from the Corporation;
- (d) Be incarcerated, on parole, or on probation;
- (e) Knowingly misrepresent or make a false statement to the Corporation;
- (f) Engage in conduct reflecting a lack of business integrity, taking into consideration such factors as the magnitude, repetition, harm caused, and remoteness in time of the activity or activities in question;
- (g) Fail to disclose to the Corporation all relationships between the Participant and the Corporation and/or any other entities doing business with the Corporation; and
- (h) Disclose Confidential Information outside of the Corporation.

Section 4: Conflict of Interest

In connection with any actual or possible conflict of interest, an Interested Person must disclose the existence and nature of his or her Financial Interest to the Governance Committee. Such disclosure shall include a full explanation of all material facts surrounding the Financial Interest. Upon receipt of such information, the Governance Committee may discuss the Financial Interest with the Interested Person. After such discussion, the Interested Person shall leave the committee meeting while the determination of a possible conflict of interest is further discussed and voted upon. The Committee shall decide if a conflict of interest exists. If a conflict of interest is found to exist the Governance Committee shall, if appropriate, investigate alternatives to the proposed transaction or arrangement. After exercising due diligence, the Governance Committee shall determine whether the Corporation 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. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Governance Committee shall determine whether the transaction or arrangement is in the Corporation's best interest, for its own benefit, and whether the transaction or arrangement is fair and reasonable to the Corporation. In conformity with the above procedures, the Governance Committee shall make its decision as to whether to enter into the transaction or arrangement.

If the Governance Committee has reasonable cause to believe that a Participant has failed to disclose an actual or possible conflict of interest, it shall inform the Participant of the basis for such belief and afford the Participant an opportunity to explain the alleged failure to disclose the actual or possible conflict of interest. If, after hearing the Participant's response, and after making such further investigation as may be warranted by the circumstances, the Governance Committee determines that the Participant has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and/or corrective action.

Section 5: Confidentiality

Upon the report of the possible release of Confidential Information, the Governance Committee shall meet to determine whether Confidential Information has been inappropriately disclosed. If the Governance Committee has reasonable cause to believe that a Participant did, in fact, disclose Confidential Information, it shall inform the Participant of the basis for such belief and afford the Participant an opportunity to explain the release of the Confidential Information. If, after hearing the Participant's response, and after making such further investigation as may be warranted by the circumstances, the Governance Committee determines that the Participant has, in fact, disclosed Confidential Information, it shall take appropriate disciplinary and/or corrective action.

Section 6: Annual Statements

Each Participant shall annually sign a statement which affirms that such person has received a copy of the Corporation's Code of Conduct as detailed herein, has read and understands the Code of Conduct, and has agreed to comply with the Code of Conduct.

ARTICLE XII

AMENDMENTS

These By-laws may be amended or altered by a majority vote of at least fifty-one percent (51%) of the quorum of the Board of Directors, or a majority vote of at least fifty-one percent (51%) of the quorum of the members, at any regular or special meeting. Any proposed amendments or alterations shall be submitted to the Board of Directors or the members in writing in advance of the meeting at which they are to be acted upon by them. The power to amend these By-Laws does not authorize any amendment, alteration, change or repeal which would have the effect of disqualifying the Corporation as a tax-exempt organization under Section 501(c)(3) of the Code, would have the effect of disqualifying contributions to the Corporation for a deduction under Section 170(c)(2), Section 2055(a)(2) or Section 2522 of the Code, or would have the effect of disqualifying the Corporation as a CDC pursuant to the requirements of the SBA.

ARTICLE XIII

Review of By-Laws

The Governance Committee shall review these By-Laws at least every two (2) years, suggesting such revisions as are necessary, and the President and the Secretary shall sign and date such By-Laws to indicate the time of the last review.

These Amended and Restated Bylaws of Regional Development Company, an Indiana Nonprofit Corporation, were last revised on the 24th day of October, 2008, and were last reviewed by the Corporation's Governance Committee on the 24th day of October, 2008.

Attested to:

Secretary

President

Chairman of the Governance Committee