

## **ANN ARBOR ROTARY ENDOWMENT BYLAWS**

### ARTICLE I: Name & Membership

The name of this corporation shall be the Ann Arbor Rotary Endowment. The members of the corporation shall be those persons who are members of the Rotary Club of Ann Arbor.

### ARTICLE II: Management & Disbursement of Funds

Subject to limitations on the use and disposition of the funds of the corporation as set forth in its articles of incorporation, the property of this corporation shall be managed by a Board of Trustees but authority for the disbursement of funds for charitable purposes shall be vested in the Board of Directors of the Rotary Club of Ann Arbor.

### ARTICLE III: Board of Trustees

The Board of Trustees shall consist of thirteen persons, all of whom must be members of the Rotary Club of Ann Arbor, namely: the president, vice president/president elect, and immediate past president of the Rotary Club of Ann Arbor; the Endowment Secretary and Endowment Treasurer, appointed annually by the Board of Directors of the Rotary Club of Ann Arbor; and eight additional trustees appointed by the Board of Directors of the Rotary Club of Ann Arbor to serve four-year terms, which shall be staggered so that in a typical year two such trustees are appointed. Nominees for such appointments shall be recommended to the Club Board by the incumbent Board of Trustees each year and shall be persons with education and/or experience relevant to the Trustees' investment and disbursement responsibilities. The Trustees, as a whole or by separate subcommittee, shall evaluate and recruit potential nominees to be Trustees. As part of this process, the Board of Trustees shall communicate the availability of such appointments to and invite expressions of interest from the general membership of the Rotary Club of Ann Arbor at least once annually at a time and in a manner of its choosing. Any person appointed to a four-year term as Trustee may be reappointed for a second consecutive term, but shall not serve in such capacity for more than eight consecutive years, although he/she may be appointed anew after a one-year break in service. Trustees may be appointed to terms shorter than four years as necessary or advisable to comply with the eight-consecutive-years limit and/or to achieve the desired staggering of terms. No Trustee shall submit for consideration by the Board of Trustees or discuss or vote on any matter regarding which he/she has either a personal or professional conflict of interest. Any member of the Board of Trustees may be removed from office at any time by a majority vote of the Board of Directors of the Rotary Club of Ann Arbor.

### ARTICLE IV: Officers

Section 1. Officers. The officers of the corporation shall be the President, who shall be that person serving as the president of the Rotary Club of Ann Arbor; the Vice President,

who shall be that person serving as the vice president/president-elect of the Rotary Club of Ann Arbor; and the Endowment Treasurer and Endowment Secretary, appointed annually by the Board of Directors of the Rotary Club of Ann Arbor.

Section 2. Duties of President. The President shall preside at all meetings of the Board of Trustees and of members. In the absence or disability of the President, or in the event of his/her refusal to act as President, the Vice President will assume the powers and perform the duties of the President. However, in the interest of continuity and with the consent of the President and Vice President, the Board of Trustees may elect another person from among its members as Chairman of the Board of Trustees and the person so elected may preside at meetings of the Board of Trustees and members even if the President and/or Vice President are/is present and shall have such other authority and duties as the President may delegate to him/her.

Section 3. Duties of Treasurer. Subject at all times and in all respects to the direction and approval of the Board of Trustees and subject to the terms of any gift, bequest, or devise made to the Corporation, the Treasurer shall have the custody of, and be responsible for, all moneys and securities of the corporation, and shall keep full and accurate records and accounts in books belonging to the corporation, showing the transactions thereof, its accounts, liabilities, and financial condition. The Treasurer shall make a full annual report of the financial condition of the corporation in the form and manner and at the time directed by the Board of Trustees and shall make such other reports and statements as may be required by the trustees. The Treasurer shall sign or endorse as ordered by the Board of Trustees all bills, notes, checks, contracts, stock certificates, and other instruments pertaining to the ordinary course of the corporate business, provided, however, that checks on the corporation's bank accounts shall be co-signed by such other persons as the Board of Directors of the Rotary Club of Ann Arbor shall direct from time to time, and provided further that the maintenance of such accounts and the keeping of the corporation's financial records shall be subject to such other internal control policies and procedures as the Board of Trustees shall enact from time to time.

Section 4: Duties of Secretary. The Secretary shall keep full minutes of the meetings of the Trustees and members and shall issue all notices for meetings, except as otherwise provided in the bylaws, and shall have charge of the seal of the corporation and affix the seal to all instruments and documents that may require it.

#### ARTICLE V: Meetings of Members and Trustees

Section 1. Membership Meetings. The annual meeting of the members shall coincide with the annual meeting of the Rotary Club of Ann Arbor. Special meetings of members may be held at any time, pursuant to call signed by the president or secretary or by any two members. Calls for special meetings shall specifically state the date, time, place, and object thereof. Written notice of any meeting of members, stating the date, time and place, and for special meetings also the object thereof, shall be mailed postage prepaid to the last known post office address of each member as it appears upon the records of the Rotary Club of Ann Arbor, or may be delivered personally to each member, or may be sent

by email to those members who receive the newsletter of the Rotary Club of Ann Arbor by email. By whichever of these means, such notice shall be given at least ten days before the date of such meeting, unless notice of the meeting is waived in writing by all members of the corporation. For annual meetings and special meetings called by the president or secretary, such notices, if mailed or sent by email, may be part of or included with the regular newsletter of the Rotary Club of Ann Arbor. For special meetings called by two members, such notices shall be sent or delivered by the members who call the meeting at their own expense. At any meeting of the membership each member shall be entitled to one vote in person or by proxy. One-third of the members of the corporation present in person or by proxy shall constitute a quorum at any meeting.

Section 2. Board of Trustees Meetings. Meetings of the Board of Trustees shall be held quarterly on such days and at such times and places as the Board of Trustees shall decide from time to time, and may be held at any time at such place as the trustees may determine on written call of the President, Secretary, or any two members of the Board of Trustees, or may be held at any time and place without notice by unanimous consent. The Secretary shall notify each member of the Board of Trustees of all meetings, except those held by unanimous consent, by mailing to the member's last known address or emailing to the member's then current email address at least three days before any such meeting, or by delivering personally to each member at least twenty-four hours before any such meeting, written notice specifying the date, time, place and object thereof. Half or more of the members of the Board of Trustees shall constitute a quorum.

Section 3. Action Between Meetings. The Board of Trustees may take any action between meetings that is within its authority under these bylaws and that is approved by a majority of the members of the Board of Trustees by telephone conference or other electronic means of communication (including e-mail), and the Board of Trustees may take action within its authority under these bylaws at any time by unanimous consent without a meeting of any kind, provided that such actions shall be confirmed by the Board of Trustees at its next meeting held after such action.

#### ARTICLE VI: Designation of Agent for Security Transactions

The Board of Trustees may designate by resolution approved by a majority of its members a person or persons to act for the corporation in effecting financial and security transactions approved by the Board of Trustees.

#### ARTICLE VII: Limitation of Liability & Indemnification

As stated in the corporation's amended Articles of Incorporation, no member of the Ann Arbor Rotary Endowment Board of Trustees shall be personally liable to the corporation, the Rotary Club of Ann Arbor, or their members for a breach of any fiduciary duty such member may be deemed to have by virtue of holding such office; provided, however, that this provision limiting personal liability does not eliminate or limit any liability such member may have for breach of a duty of loyalty to the corporation, the Rotary Club of Ann Arbor, or their members, for acts or omissions not in good faith or that involve in-

tentional misconduct or knowing violation of law, or for any transaction from which the member derived an improper personal benefit. The corporation assumes and indemnifies its volunteer trustees and officers against liability for all their acts or omissions in such capacities, provided that such volunteer was acting or reasonably believed he/she was acting within the scope of his/her authority and was acting in good faith, and that his/her conduct did not amount to gross negligence or willful or wanton misconduct, was not an intentional tort and was not a tort arising out of ownership, maintenance or use of a motor vehicle for which tort liability may be imposed under Michigan law.

#### ARTICLE VIII: Seal

The corporate seal of the corporation shall consist of two concentric circles, between which shall appear the words "ANN ARBOR ROTARY ENDOWMENT," and such seal as is impressed upon the margin hereof is adopted as the corporate seal of the corporation.

#### ARTICLE IX: Amendments

These bylaws may be amended, repealed or altered in whole or in part, and new bylaws added, at any annual or special meeting of members, provided that the language of such proposed change has been included with the notice of the meeting.