

RESTATED AND AMENDED BYLAWS
OF THE
COMMUNITY FOUNDATION OF ST. CLAIR COUNTY

12/6/06

ARTICLE I
NAME AND OFFICE LOCATION

Section 1. THE NAME of this non-profit corporation is the COMMUNITY FOUNDATION OF ST. CLAIR COUNTY (the "Foundation").

Section 2. REGISTERED OFFICE. The registered office and mailing address of the Foundation is 516 McMorrان Boulevard, Port Huron, Michigan 48060. The resident agent shall be the person who from time to time is designated by the Board of Trustees, hereinafter referred to as (the "Board").

Section 3. PRINCIPAL OFFICE. The Foundation shall have its principal office at 516 McMorrان Boulevard, Port Huron, Michigan or it may maintain offices at such other place or places as the Board may from time to time designate.

ARTICLE II
THE BOARD

Section 1. DIRECTORSHIP. The Corporation is organized upon a directorship basis. The property, business and affairs of the Corporation will be overseen by its Board, whose members shall be exclusively elected by the Board. The Board members will hereinafter be referred to as Trustees.

Section 2. QUALIFICATION. The Board shall consist of persons who maintain a personal residence in, or who are employed in St. Clair County, Michigan, and who are interested in and knowledgeable of the charitable needs of the County.

Section 3. NUMBER AND TERM OF OFFICE. The Board will consist of twenty-seven (27) elected persons plus the President who shall serve as an ex-officio Board member with voting rights. If less than twenty-seven (27) elected Trustees are currently serving on the Board, the difference between the number elected and the number twenty-seven (27) shall be considered vacancies and may be filled by the Trustees in accordance with this Section and Section 4 below. The terms of the elected Trustees will be staggered so that at each annual meeting, approximately one-third (1/3) of the elected Trustees will be elected by the Board. The term of office of any elected Trustee will be for three (3) years from the date of his or her election and will continue until his or her successor has been elected and qualified, or until such Trustee's resignation or removal. If, however, the Trustee is appointed by the Board to fill a vacancy, his or her term will be for the remainder of the term to which the Trustee is succeeding. An elected Trustee shall not serve more than three (3) consecutive full three (3) year terms of office unless he or she is elected an Officer, then such Trustee may continue as a Board member while serving as an

Officer. A Trustee who serves for a term of less than three (3) years will be allowed to serve three (3) additional full three (3) year terms. A person who previously served as a Trustee shall be eligible to serve again after the expiration of one (1) year from the termination date of his or her last term of office. Service as a Trustee prior to the 2002 election of Trustees shall not apply to the above term limitations.

Section 4. RESIGNATION, REMOVAL AND VACANCIES. A Trustee may resign by written notice to the Foundation. The resignation will become effective upon its receipt by the Foundation. A Trustee may be removed, either with or without cause, by the affirmative vote of a majority of the Trustees then in office. If a vacancy occurs among the members of the Board, that vacancy may be filled by the affirmative vote of a majority of the remaining Board present and voting, a quorum being present, at any regular or special meeting of the Board. A Trustee elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office.

Section 5. REGULAR MEETINGS OF THE BOARD shall be held at least quarterly at the principal office of the Foundation or at such other place or places as the Board may from time to time designate.

Section 6. ANNUAL MEETING OF THE BOARD. An Annual Meeting shall be held in December of each year for the purpose of electing Trustees and Officers and to conduct such other business as may be properly brought before the meeting.

Section 7. SPECIAL MEETINGS OF THE BOARD may be called at any time by any five (5) Board members, the Chairperson of the Board, or in his or her absence by the Vice Chairperson, or the President, to be held at the principal office of the Foundation or at such other place or places as the Board may from time to time designate.

Section 8. WRITTEN NOTICE OF MEETINGS of the Board designating the time and place shall be given either personally or by mail to each Board member not less than five (5) days before the meeting. Notice of a regular or special meeting need not state the purpose or purposes of the meeting.

Section 9. ACTION BY UNANIMOUS WRITTEN CONSENT. Any action required or permitted to be taken at an annual, regular, or special meeting of the Board may be taken without a meeting, without prior notice and without a vote, if all of the Trustees consent in writing to the action so taken. Written consents will be filed with the minutes of the proceedings of the Board.

Section 10. TELEPHONIC CONFERENCE. A Trustee, Officer, or committee member may participate in any meeting by conference telephone or similar communications equipment by which all persons participating in the meeting may hear each other and if all participants are advised of the communications equipment and the names of the participants in the meeting are divulged to all participants. Participation in a meeting pursuant to this section constitutes presence in person at the meeting.

Section 11. QUORUM AND VOTING. A majority of the Board then in office shall constitute a quorum for the transaction of business. The vote of a majority of the Board present at a meeting at which a quorum is present will constitute action of the Board, unless the vote of a larger number is required by law or by other sections of these Bylaws or the Articles of Incorporation. At all meetings of the Board the voting may be *vive voci*.

Section 12. WAIVER OF NOTICE. Whenever any notice is required to be given under the provisions of the Non-Profit Corporation Act of the State of Michigan or under the provisions of the Articles of Incorporation or the Bylaws of the Foundation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE III **OFFICERS**

Section 1. THE OFFICERS of the Foundation shall be a Chairperson of the Board, a Vice Chairperson, a President, a Secretary and a Treasurer of the Board. The President shall be elected by the Board and shall thereby become an ex-officio member of the Board with voting rights. All other Officers shall be Trustees and also elected by the Board. No one person may serve in two (2) capacities. The Board may appoint any other Officer(s) and agent(s) they deem necessary for accomplishing the purposes of the Foundation.

Section 2. TERM OF OFFICE. The Officers of the Foundation shall be elected annually by the Board at the Annual Meeting of the Board and shall hold office until their successors are chosen and qualify. An Officer, with the exception of the President of the Foundation, shall not hold any one office for more than two (2) years or serve as an Officer in any one or more offices for more than six (6) consecutive years; provided, however, that service as an Officer prior to the 2002 election of Officers shall not apply to these service limitations. A person who previously served as an Officer shall be eligible to serve again after the expiration of one (1) year from the termination date of his or her last term of office. Any Officer elected or appointed by the Board may be removed at any time, with or without cause, by the affirmative vote of a majority of the Board then in office.

Section 3. RESIGNATION. An Officer may resign by written notice to the Foundation, which resignation will become effective upon its receipt by the Foundation.

Section 4. VACANCIES. Any Officer vacancy occurring in the Foundation shall be filled by the Board. In the absence, or in the event of the inability or refusal to act, of any Officer of the Foundation, the Board may delegate the duties and powers of such Officer to any other Officer or Officers of the Foundation as the Board may elect until such time as the Officer resumes his responsibilities or until a successor is elected.

Section 5. COMPENSATION. Officers who are not employees of the Foundation will serve without compensation but may be reimbursed for actual, reasonable and necessary out of pocket expenses incurred in their capacity as an Officer.

Section 6. THE CHAIRPERSON OF THE BOARD (Chairperson) shall be a member of the Board and shall preside at all meetings of the Board. The Chairperson shall perform such duties and functions as shall be assigned to him or her from time to time by the Board. He or she shall be non-voting ex-officio member of all committees. The Chairperson shall, unless otherwise provided by resolution of the Board, possess the power and authority to sign all certificates, contracts, instruments, papers, documents of every conceivable kind and character whatsoever in the name of, and on behalf of, the Corporation.

Section 7. THE VICE-CHAIRPERSON shall perform the duties and exercise the powers of the Chairperson during the absence or unavailability of the Chairperson, and shall have such additional powers and perform such additional duties as shall from time to time be assigned by these Bylaws or by the Board.

Section 8. THE PRESIDENT. The Board shall appoint and employ a President who shall be the Chief Executive Officer, and who shall be a salaried employee of the Corporation responsible for the administration of the Corporation's activities pursuant to the policies established by and subject to the approval of the Board. The President shall employ and discharge such staff as he or she deems necessary in accordance with budget provisions and personnel policies and practices established by the Board. The President shall be a voting member of the Board and an ex-officio member of all committees of the Corporation. The President shall be responsible for the routine day-to-day affairs of the Corporation and may sign contracts and documents on behalf of the Corporation which pertain to such routine affairs. The President will be responsible for executing the policies and resolutions of the Board and will perform any other duties prescribed by the Board or Chairperson.

Section 9. THE SECRETARY shall attend all meetings of the Board and shall keep, or cause to be kept, a record of the proceedings of all meetings of the Board. The Secretary shall give, or cause to be given, notice of all meetings and special meetings of the Board and shall perform such other duties and have such other powers as may be prescribed by the Board. The Secretary shall keep or cause to be kept the minutes of all meetings of the Board in books provided for that purpose, and sign, with the Chairperson or the President, in the name of the Corporation, all contracts when authorized to do so.

Section 10. THE TREASURER shall oversee the financial activities of the Corporation. The Treasurer shall perform all duties incident to the office and such other duties as may be from time to time directed by the Board.

ARTICLE IV **CONFLICTS OF INTEREST**

Section 1. DISCLOSURE. Trustees, Officers, committee members and staff of the Foundation shall comply with the Foundation's Conflict of Interest Policy.

ARTICLE V **PATRONS**

Section 1. PATRONS. The Foundation may recognize those who support the Foundation as patrons. The qualifications to be and benefits of a patron shall be determined from time to time by the Board. Patrons shall have no voting rights concerning any matter, including those affecting their status, powers and voting rights.

Section 2. THE ANNUAL MEETING of the patrons for the transaction of such business as determined by the Board shall be held at such time and place as the Board shall determine and as shall be stated in the Notice of Meeting.

Section 3. SPECIAL MEETINGS of the patrons may be called at any time by the Board or by the Chairperson of the Board. A written request for such special meeting shall be presented to the Secretary stating the purpose of said special meeting. All such special meetings shall be held at the principal office of the Foundation unless authorized by the Board or Chairperson to be held elsewhere.

Section 4. NOTICE OF MEETINGS designating the time and place shall be given either personally or by mail or fax or e-mail to each patron not less than five (5) days before the Annual or Special Meeting. Notice of an Annual or Special Meeting need not state the purpose or purposes of the meeting.

ARTICLE VI **COMMITTEES**

Section 1. STANDING COMMITTEES. There shall be six (6) Standing Committees: Executive, Governance, Finance & Investment, Development, Grants, and Audit. The Executive and Governance Committees shall, as a minimum, include the duties and responsibilities as described in Sections 3 and 4 below, respectively. The Board will determine the duties and responsibilities of these other Standing Committees and may, from time to time, invest said Committees with such other powers within the limits prescribed by law, as it may see fit. Standing Committees shall keep minutes of their meetings and shall report their actions to the Board. The Board will appoint a Chairperson and committee members to each Standing Committee annually. No person who is not serving as an ex-officio member may serve on a Standing Committee for more than six (6) consecutive years, nor serve as the Chairperson of a Committee for more than three (3) consecutive years.

Section 2. FINANCE, DEVELOPMENT, GRANTS, INVESTMENT AND AUDIT COMMITTEES.

The Board shall appoint a Chairperson and four (4) or more members for the Finance, Development, Grants, Investment and Audit Committees. These Committees must be composed of at least three (3) Trustees. The Chairperson of the Board and the President shall be non-voting ex-officio members of these Committees.

Section 3. EXECUTIVE COMMITTEE.

The Officers, plus two (2) at-large Trustees appointed annually by the Board for a one (1) year term, will constitute the Executive Committee. The immediate past Chairperson of the Board shall be a non-voting ex-officio member for one year immediately following the past Chairperson's service as Board Chair.

The Board may in its discretion also appoint a third at-large Trustee to this Committee for a one-year term in years in which the immediate past Chair is not serving as an ex-officio member.

The Chairperson of the Board shall be the Chair of the Executive Committee.

Action(s) may be taken by the vote of the majority of the entire Committee. The Executive Committee, subject to those limitations as may be required by law or imposed by resolution of the Board, may exercise

all the powers and authority of the Board in the management of the business and affairs of the Foundation between meetings of the Board, except that such Executive Committee will not have power or authority to:

1. Amend the Articles of Incorporation or the Bylaws of the Corporation;
2. Adopt an agreement of merger or consolidation;

3. Approve the sale, lease or exchange of all or substantially all of the Foundation's property and assets;
4. Approve the dissolution of the Corporation or a revocation of a dissolution;
5. Fill Officer and Board vacancies; or
6. Make grants, appropriations or expenditures of funds in excess of one-half (.5%) percent of the foundation's net assets in any calendar year.

Section 4. GOVERNANCE COMMITTEE. The Board shall appoint a Chairperson and four (4) or more members, all of whom must be Trustees. This Committee shall be responsible for the following ongoing activities of the Board: Bylaws review and revision, Board evaluation and education, Board and Officer nominations, and other governance-related issues as may be assigned from time to time by the Board.

Section 5. OTHER COMMITTEES. The Board may appoint such other committees as it deems appropriate to exercise the authority delegated by the Board. The Board will determine the duties and responsibilities of these Committees and may, from time to time, invest said Committees with such other powers as it may see fit. Such duties and responsibilities, when approved by the Trustees, shall be followed by the Committee until advised to the contrary by the Board. Each committee shall meet at least once during each fiscal year of the Foundation.

ARTICLE VII **CHARITABLE GIFTS, VARIANCE POWER,** **AND POWER TO REMOVE**

Section 1. DEFINITION OF TERMS. The following terms used in this Article shall have the meanings set forth below:

“Charitable Gift” means any gift, grant, bequest, or devise to or for the benefit of the Foundation (including the proceeds of sale of such gift, grant, bequest, or devise and the assets, income and appreciation resulting from the investment and reinvestment of such gift, grant, bequest or devise made by the Foundation or by any Fiduciary).

“Fiduciary” means (i) any Trustee, agent, investment advisor, investment manager, custodian or other person holding, administering or investing a Charitable Gift on behalf of the Foundation; and (ii) any member of the governing body or officer of a nonprofit corporation or other entity created or operating for the purpose of supporting the Foundation or carrying out its purposes.

“Gift Instrument” means (i) a deed, trust agreement, last will and testament, bill of sale, assignment or other conveyance, agreement or instrument making or governing the terms of a Charitable Gift; (ii) the articles of incorporation, bylaws or other governing documents of any nonprofit corporation or other entity created or operating for the purpose of supporting the Foundation or carrying out its purposes; and (iii) the terms of any solicitation by the Foundation from which a Charitable Gift resulted.

“Restriction” means any limitation imposed by the donor in a Gift Instrument or arising as the result of any solicitation by the Foundation which in any way (i) specifies or restricts the charitable, educational, religious, scientific, or literary purposes of the Foundation for which the Charitable Gift may be used; (ii) requires that the Foundation distribute all or part of a Charitable Gift to one or more other public bodies or organizations formed for charitable, educational, religious, scientific or literary purposes;

(iii) creates an endowment fund or otherwise limits the amount of the principal or income from a Charitable Gift that may be expended by the Foundation during any period; or (iv) specifies or limits the way in which the Charitable Gift may be invested.

Section 2. VARIANCE POWER. Except to the extent specifically otherwise provided in the Gift Instrument governing a particular Charitable Gift which has been accepted by the Board of Trustees of the Foundation:

The Board of Trustees, by a resolution approved by a majority of the trustees then in office, may modify or eliminate any Restriction if, in the sole judgment and discretion of the Board of Trustees, the Restriction has become unnecessary, incapable of fulfillment or inconsistent with the charitable needs of those in the area served by the Foundation or with the charitable purposes of the Foundation; provided, however, that the preceding shall not authorize the Board of Trustees of the Foundation to use any Charitable Gift or other property of the Foundation in a manner inconsistent with the purposes set forth in Article II of its Restated Articles of Incorporation.

All Charitable Gifts received by the Foundation creating an endowment fund or containing another Restriction on the amount of the principal or income from the Charitable Gift which may be expended by the Foundation during any period shall be subject to Section 3 of the Michigan Uniform Management of Institutional Funds Act, MCL 451.1201 *et seq.*, as amended from time to time or comparable provisions of any subsequent Michigan or federal legislation.

Section 3. POWER TO REMOVE. The Board of Trustees or the Executive Committee may remove any Fiduciary at any time.

The Board of Trustees or the Executive Committee may appoint a successor to any Fiduciary removed pursuant to this Section 3. and may fill the position of a Fiduciary which has become vacant for any other reason.

ARTICLE VIII **APPOINTMENT OF COUNSEL AND AGENTS**

Section 1. The Board from time to time may appoint legal counsel, investment advisors, or other agents as deemed appropriate.

ARTICLE IX **INDEMNIFICATION**

Section 1. INDEMNIFICATION. The Foundation will, to the fullest extent now or hereafter permitted by law, indemnify any Trustee, Officer, or committee member of the Foundation (and, to the extent provided in a resolution of the Board or by contract, may indemnify any employee, non-trustee volunteer, or agent of the Foundation) who was or is a party to or threatened to be made a party to any threatened, pending, or completed action, suit or proceeding by reason of the fact that the person is or was a Trustee, Officer, employee, non-trustee volunteer, committee member, or agent of the Foundation, or is or was serving at the request of the Foundation as a Trustee, Officer, partner, employee, non-trustee volunteer, committee member, or agent of another corporation, partnership, joint venture, trust or other enterprise, whether for profit or not for profit, against expenses including attorneys' fees (which expenses may be paid by the Foundation in advance of a final disposition of the action, suit or proceeding as

provided by law), judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with the action, suit or proceeding if the person acted (or refrained from acting) in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Foundation, and with respect to any criminal action or proceeding, if the person had no reasonable cause to believe his or her conduct was unlawful.

Section 2. RIGHTS TO CONTINUE. This indemnification will continue as to a person who has ceased to be a Trustee, Officer, or committee member of the Foundation unless terminated for cause in a related issue. Indemnification may continue as to a person who has ceased to be an employee, non-trustee volunteer, or agent of the Foundation to the extent provided in a resolution of the Board or in any contract between the Foundation and the person. Any indemnification of a person who was entitled to indemnification after such person ceased to be a Trustee, Officer, employee, non-trustee volunteer, committee member, or agent of the Foundation will inure to the benefit of the heirs and personal representatives of that person.

ARTICLE X **INSURANCE**

Section 1. INSURANCE. The Foundation may purchase and maintain insurance on behalf of any person who is or was a Trustee, Officer, employee, non-trustee volunteer, committee member, or agent of the Foundation, or is or was serving at the request of the Foundation as a Trustee, Officer, employee, non-trustee volunteer, committee member, or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any such capacity, or arising out of his or her status as such, whether or not the Foundation would have the power to indemnify such person against such liability under the provisions of the Nonprofit Corporation Act of the State of Michigan.

ARTICLE XI **AUDITS**

Section 1. AUDITS. The accounts and finances of the Foundation shall be audited annually by a CPA firm as may be selected by the Board, and the last of such audits shall be submitted to the Board at the next meeting thereafter.

ARTICLE XII **AMENDMENTS**

Section 1. AMENDMENTS. These Bylaws may be added to, amended or repealed in whole or in part by a majority vote of the whole Board at any Regular, Annual, or Special Meeting of the Board called for that purpose PROVIDED that notice of such amendment has been given to the Trustees at least ten (10) days prior to said meeting. No action or amendment shall be taken which in any way adversely affects the Foundation's qualification as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code as it now exists or may hereafter be amended.

ARTICLE XIII
GENERAL

Section 1. GENERAL. The Board shall have the right to pay necessary operating expenses from the funds of or income contributed to the Foundation.

Section 2. AFFILIATION WITH OTHER ORGANIZATIONS. In pursuit of the Foundation's charitable objectives, the Board shall have the authority to cause to be formed or to enter into relationships with other organizations described in Section 501(c)(3) of the Code, including organizations operated for the benefit of and to carry out the purposes of the Foundation, in which case the Foundation may exercise such supervision and control over any organization as is necessary to qualify it as a supporting organization described in Section 509(a)(3) of the Code and the regulations thereunder.

ARTICLE XIV
COMPLIANCE WITH TAX REQUIREMENTS

Section 1. NONPROFIT OPERATION. The Foundation shall be operated exclusively for charitable, educational, religious, scientific, and literary purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, or comparable provisions of subsequent legislation as a nonprofit corporation. No Trustee of the Foundation shall have any title to or interest in the corporate property or earnings in his or her individual or private capacity and no part of the net earnings of the Foundation shall inure to the benefit of any Director, Trustee, Officer or any private shareholder or individual. No substantial part of the activities of the Foundation shall consist of carrying on propaganda or otherwise attempting to influence legislation, nor shall the Foundation participate in or intervene in any political campaign on behalf of (or in opposition to) any candidate for public office.

Section 2. DISSOLUTION. In the event of the dissolution of this Foundation, the property of the Foundation, if any, shall be distributed for the purposes for which the Foundation is organized; and no part of such property shall be, in any event, the property of any Trustee, Officer or patron of the Foundation.

ARTICLE XV
FISCAL YEAR

Section 1. FISCAL YEAR. The fiscal year of the Foundation shall end on December 31st.

ARTICLE XVI
RESTATEMENT

Section 1. RESTATEMENT. All Bylaws of this Foundation heretofore amended and adopted and in force are hereby expressly repealed and annulled, and these Bylaws, as restated and amended herein shall henceforth be in full force and effect.

Revised and Approved by the Board of Trustees, December, 2006.