

**BYLAWS OF
OHIO LAMBDA FOUNDATION**

**ARTICLE I
CORPORATE IDENTITY**

- Section 1. The name of this Corporation is Ohio Lambda Foundation.
- Section 2. The principal office of this Corporation shall be at 122 South Campus Avenue, Oxford, Ohio 45056. The Corporation may, in addition to its principal office in said State of Ohio, establish and maintain an office or offices at such other places as the Board of Trustees may from time to time determine or the business of the Corporation may require.
- Section 3. The Corporation shall have and continuously maintain in the State of Ohio a registered office and a registered agent.
- Section 4. Said organization is organized exclusively for the charitable purpose of advancing education by the making of distributions for scholarship awards, loans, and grants within the meaning of Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code.
- Section 5. No part of the net earnings of the organization shall inure to the benefit of, or be distributable to its members, Trustees, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the purpose clause hereof. No substantial part of the activities of the organization shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the organization shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these Bylaws, this Corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes of this Corporation. This section is irrevocable.
- Section 6. The Board of Trustees shall agree upon a corporate seal, which seal shall be in the charge of the Secretary and shall be inscribed with the Corporation's official name.

**ARTICLE II
BOARD OF TRUSTEES**

- Section 1. The initial Trustees for the purposes of the commencement of corporate activities shall be those persons listed as such on the Articles of Incorporation until such time as each initial Trustee's term has expired as determined in accordance with Article IV, Section 3.

- Section 2. The property, business and affairs of this Corporation shall be controlled by a Board of Trustees, each of whom must be an alumnus of the Ohio Lambda Chapter of Phi Kappa Psi Fraternity. The Board of Trustees shall have, in addition to the powers and authority expressly conferred upon it by these Bylaws, the right, power and authority to exercise all such powers and to do all such acts and things as may be exercised or done by the Corporation, but subject nevertheless to the statutes of the State of Ohio, to the provisions of the Articles of Incorporation, and to the Bylaws of the Corporation.
- Section 3. The number of Trustees shall not be fewer than three nor exceed seven. The initial number of Trustees shall remain fixed at five until such time as the current Trustees increase or decrease that number via a motion passed in accordance with the provisions set forth herein.
- Section 4. A simple majority of the Trustees, present in person or by other means, shall constitute a quorum for the transaction of business at any meeting of the Board.
- Section 5. If a vacancy shall occur in the office of Trustee, by reason of the death, resignation, disqualification, or other inability of such Trustee, the remaining Trustees may, by majority vote, appoint a member of this Corporation to serve the remainder of the unexpired term.
- Section 6. The Vice-President of Ohio Lambda Company shall serve as an ex-officio member of the Board of Trustees, but may not hold the office of President. Nothing in this article shall prohibit the giving or soliciting of advice or counsel by or from Ohio Lambda Company or its individual members.
- Section 7. Exclusive of the Trustee maintaining his position on this Corporation by virtue of holding the office of Vice-President of Ohio Lambda Company, no other member of the Board of Trustees shall serve as an elected or appointed officer of Ohio Lambda Company. This ex-officio trustee shall abstain on all matters that come before the Board of Trustees that pertain to agreements with or which involve a conflict of interest between his duties as a Trustee of Ohio Lambda Foundation and his duties as an appointed or elected officer of Ohio Lambda Company. An ex-officio trustee may also not hold the office of President of this Corporation, whether permanent or acting.
- Section 8. The term of a Trustee may be declared vacant by virtue of that Trustee's absence at three consecutive Board meetings.

ARTICLE III MEMBERSHIP

- Section 1. The membership of this Corporation shall be the alumni members of the Ohio Lambda Chapter of Phi Kappa Psi Fraternity.

ARTICLE IV ELECTIONS

- Section 1. Other than the initial Trustees (as defined in Article II, Section 1), all future Trustees shall be elected for a term of two years. The number of terms for which a Trustee may serve is unlimited.
- Section 2. Prior to the second and each annual meeting thereafter, the president shall appoint an ad-hoc nominating committee, which will operate in accordance with Article VIII, Section 3 of these Bylaws. In the event that the Nominating committee delivers an empty slate, the current Trustees may waive the election until the following year. Under these circumstances, there is no limit to the amount of times that an election may be waived.
- Section 3. In order to implement rotating terms for the members of the Board of Trustees, two of the original Trustees shall serve for a term of one year; and two of the original Trustees shall serve for a term of two years. At all subsequent elections, all Trustees shall be elected for a term of two years.

ARTICLE V CORPORATE ACTION

- Section 1. The act of majority of Trustees present in person or otherwise at a meeting at which a quorum is present shall be the act of the Board of Trustees.
- Section 2. No action of the Board of Trustees shall be valid unless taken at a meeting at which a quorum is present.
- Section 3. The president, or in his absence, the vice-president, shall preside at meetings of the Board of Trustees. The Board of Trustees may adopt its own rules of procedure that shall not be inconsistent with the Bylaws. In the absence of supervening Board rules, the then current edition of Robert's Rules of Order Newly Revised shall govern meeting procedure and decorum.

ARTICLE VI OFFICERS

- Section 1. The officers of the Corporation shall be President, Vice-President, Treasurer, and Secretary, and such other officers as may from time to time be elected or appointed by the Board of Trustees.
- Section 2. The officers of the Corporation shall be elected annually by the Board of Trustees, immediately following the election of Trustees, at the regular annual meeting. Vacancies may be filled at any meeting of the Board of Trustees. Each officer shall hold office until his successor shall have been duly elected and qualified.

- Section 3. President. Subject to the control of the Board of Trustees, the president shall have general supervision of the affairs of the Corporation. He shall preside at all meetings of the Board of Trustees, and shall have such other power and duties as prescribed by the Board. He shall see that all orders and resolutions of the Board are carried into effect. With the exception of the nominating committee, the president shall serve as an ex-officio member of all committees created. Ex-officio members of the Board of Trustees may not hold this office, whether permanent or acting.
- Section 4. Vice-President. In the absence of the president or in the event of his death, inability, or refusal to act, the vice-president shall perform the duties of the president. And when so acting, shall have the powers of and be subject to all the restrictions of the president. The vice-president shall have such other power and duties as assigned by the Board.
- Section 5. Treasurer. The treasurer shall be responsible for the accounting of all monies of the Corporation, including depositing and/or investing them in accordance with policy adopted by the Board. The treasurer shall also have the responsibility to preserve and maintain the records and provide them to the Board when requested to do so. He shall be the chairman of the finance committee and shall have such additional powers and duties as may be assigned by the Board.
- Section 6. Secretary. The secretary shall act as secretary of all meetings of the Board of Trustees and be responsible for minutes of all meetings as well as give or cause to be given notice of such meetings. The secretary shall be custodian of the seal of the Corporation, which he shall deliver only when authorized by a resolution of the Board of Trustees to do so and to such person or persons as may be named in the resolution. The secretary shall perform such additional duties as shall be assigned by the Board.
- Section 7. In the case of absence of any officer of the Corporation, or for any other reason that the Board may deem sufficient, the Board may delegate the powers or duties of any officer to any other officer for such time as the Board determines.

ARTICLE VII COMPENSATION

- Section 1. Neither the members of the Corporation, nor officers thereof, shall receive, directly or indirectly, any compensation for their service. Nothing herein shall prevent reimbursement for ordinary and necessary expenses incurred on behalf of the Corporation.
- Section 2. Said expenses are to be submitted to the Treasurer for approval and reimbursement; they must be substantiated according to at least the minimum IRS guidelines. The Treasurer can not approve his own expense reimbursement and must instead have another officer of the Corporation approve the transaction.

ARTICLE VIII COMMITTEES

- Section 1. Except as otherwise provided, the president shall appoint members and designate the chair of standing and other committees. The chairman of each standing committee or subcommittee and its members may be selected from the membership at large. Committees shall serve at the pleasure of the Board under such rules and regulations as the Board may approve.
- Section 2. Standing committees. a. Finance - Responsibilities shall include, but are not limited to, fact finding for the Board of matters relating to the financial administration of the Corporation, and preparation of the annual budget for presentation to the Board. The chair of the finance committee shall be the treasurer. b. Fund raising - In general, responsibilities shall include planning for the solicitation of contributions and other fund raising activities in support of the Corporation's purposes. c. Public information - Responsibilities shall include but are not limited to newsletters, Web page content, and all other public relations functions. d. Scholarship - In general, responsibilities shall include developing scholarship awards and grants and their respective criteria, facilitating scholarship and grant application and award processes, and identifying potential award winners based on those applicants that meet the minimum established requirements.
- Section 3. Other committees. a. Nominating - In general, this committee is charged with identifying to the best of its ability, via reasonable means, a slate of proposed Trustees to be voted on by the membership at large. The nominating committee shall work closely with the standing Public Information committee to facilitate both slating and voting activities. The Nominating committee must report its findings, including lack of candidates and communication avenues pursued, to the Board prior to the annual meeting next after its formation.
- Section 4. The Board may create other committees or subcommittees, either standing or ad-hoc, as needed.

ARTICLE IX CORPORATE OBJECTIVES

- Section 1. The objectives of this Corporation shall be:
- a. To receive, raise, invest and administer funds for the charitable purpose of advancing education and, to that end, to take and hold by bequest, devise, grant, gift, purchase or otherwise property or other items of value and invest, reinvest or deal with it and with the principal or income thereof in such manner as in the judgment of the Board of Trustees, will best promote the purposes of the Corporation, except such limitations, if any, as may be contained in the instrument under which such property is received, the Articles of Incorporation, these Bylaws, or applicable law.

- b. Without limitation on the foregoing, the principle purposes of this Corporation shall be the fostering of educational opportunities for the undergraduate members of the Ohio Lambda Chapter of Phi Kappa Psi through the making of distributions for scholarship loans, grants, and awards.
- c. To do any and all acts and things, and to exercise any and all powers which it may now or hereafter be lawful for this Corporation to do or exercise under and pursuant to the laws of the State of Ohio for the purpose of accomplishing the purpose of this Corporation.
- d. It is not the purpose of this Corporation to be an adjunct or alternative to Ohio Lambda Company and it shall not permit itself to be seen or used in that manner. It is, rather, the purpose of the Corporation to provide educational and charitable funding for academic purposes beyond those ordinarily available.
- e. Distribution of scholarship loans, grants, and awards by this Corporation shall not be subject to the control of outside entities, either public or private. It is the duty of the Trustees, and each of them, to protect and preserve the autonomy of both the Corporation and its assets.

ARTICLE X
ADMINISTRATION OF THE FOUNDATION

- Section 1. Administration of Ohio Lambda Foundation and the control and management of its property, business, and affairs shall be vested in a Board of Trustees, each of whom shall be an alumnus member of Ohio Lambda Chapter of Phi Kappa Psi Fraternity.
- Section 2. It shall be the duty of said Trustees to receive for said Corporation, gifts, devises, and bequests of money and property, to invest and reinvest the principal of the same and the income therefrom in accordance with the provisions of the Articles of Incorporation and Bylaws of said Corporation.
- Section 3. Trustees shall place a high level of confidence in any Scholarship committee's choice for receipt of an award or grant from the Corporation. However, the Trustees are required and shall pass upon each application for an award or grant, and they shall have final and absolute discretionary power to make or decline such award, and shall not be called upon to assign reasons for their actions.
- Section 4. It is the policy of the Corporation to encourage unrestricted donations. However, the Corporation will honor a request by a donor that his or her contribution be used for a specific educational purpose whenever such a request is consistent with the educational purposes of the Corporation, these Bylaws, and with its exempt status under applicable federal income tax laws and regulations. In cases in which the donor desires to specify a restriction on the gift, it may be determined by resolution of the Board of Trustees that the Corporation receive up to five percent (5%) of the initial gift as unrestricted and up to ten percent (10%) of the annual proceeds of the gift for its unrestricted use.

- Section 5. The securities and investments of the Corporation shall be deposited by the Treasurer with a brokerage firm of reputable character selected by the Trustees, or in a safety deposit box; in a banking institution designated by the Trustees, and access to said box shall be had only by the Treasurer in the presence of another Trustee, or of a duly authorized agent of the remaining Trustees. The cash remaining shall be deposited in one or more national or state banks or in a money market fund of a brokerage firm selected by the Trustees in the name of Ohio Lambda Foundation, and withdrawals from said deposits shall be made by check signed by the Treasurer and countersigned by one other officer of the Corporation.
- Section 6. The Trustees may loan portions of the principal of the corpus to the group of students constituting the Ohio Lambda Chapter of Phi Kappa Psi Fraternity or to Ohio Lambda Company when, in the judgement of the Trustees, such a loan will aid and encourage, promote, and contribute to the education and scholastic attainments of such student members of said Chapter, provided such loans are secured by liens upon the chapter house properties. The Trustees shall pass upon each application for loan, and they shall have absolute discretionary power to make or decline such loan, and shall not be called upon to assign reasons for their actions.
- Section 7. It is the policy of the Trustees to not invade the investment corpus and to commit for grants and scholarships an amount of up to, but not exceeding, 5% of the principal.
- Section 8. In any one fiscal year, the Board of Trustees shall not approve and pay an amount more than one and one-half (1½) percent of the corpus for management and general expenses of the Corporation.
- Section 9. To avoid potential conflicts-of-interest, the Corporation will not invest in or with any bank, trust company, fund, fund manager, brokerage house, or other investment vehicle, person, company, or institution with whom a current Trustee is currently affiliated by means of employment or other decision-making position.
- Section 10. Unless otherwise decided by the Trustees, restricted named endowments within the investment corpus must accumulate \$25,000 within five years before income is available for use.

ARTICLE XI AMENDMENT OF BYLAWS

- Section 1. The Bylaws may be amended by the affirmative vote of the majority of the Trustees present and voting at any meeting at which a quorum is present. No action shall be taken to amend any Bylaw unless written notice of the proposed amendment(s) shall have been given to the Board of Trustees at least ten days prior to the meeting delivered by first class mail or a minimum of 48 hours prior to the meeting if the notice is delivered personally.

ARTICLE XII
MEETINGS

- Section 1. A regular annual meeting shall be held in the year 2000, and every year thereafter, at such date, time and place as the Board shall determine. Ad-interim meetings may be called by the President, or upon the written request of a majority of the Trustees setting forth the purpose of such meeting.
- Section 2. Notice of any meetings shall be given to the Board of Trustees as early as reasonably possible, but not less than ten days in advance.
- Section 3. A trustee of the Corporation who is present at a meeting of the Board of Trustees at which action on any corporate matter is taken shall be presumed to have assented to the action unless his dissent shall be entered in the minutes of the meeting.
- Section 4. With the exception of the initial short fiscal year, the Board of Trustees shall meet at least once per successive fiscal year, whether in person or by other means.

ARTICLE XIII
INDEMNIFICATION

- Section 1. When funds in the hands of the Trustees shall have been invested as required by the Articles of Incorporation and Bylaws of this Corporation, the Trustees shall not be held personally liable for any depreciation or loss of value of any investment so made, in good faith, and with the approval herein stipulated.
- Section 2. Each Trustee, officer, employee, or agent of or a volunteer of this Corporation serving as such at the request of this Corporation shall be indemnified by this Corporation under the standards set by and to the fullest extent allowable under Section 1702.12(E), Ohio Revised Code, as the same shall be amended from time to time. The forgoing right of indemnification shall be in addition to any other rights to which any person seeking indemnification may be or become entitled by law, vote of members, or disinterested Trustees of this Corporation or otherwise.
- Section 3. If subsequent Ohio law is amended after the adoption of this Article XIII to expand the indemnification permitted to a Trustee, officer, employee, or agent of or a volunteer of the Corporation, then the Corporation shall indemnify such persons to the fullest extent permitted by the Ohio law, as so amended.

ARTICLE XIV
DISSOLUTION

- Section 1. Upon dissolution of the Corporation, assets shall be distributed for one or more exempt purposes within the meaning of the Internal Revenue Code Section 501(c)(3), or the corresponding section of any future federal tax code. These distributions shall take place as determined by the Board of Trustees and after payment of obligations and expenses of dissolution.

ARTICLE XV
MISCELLANEOUS

- Section 1. The Board shall at a minimum make available a written report annually to the membership of the Corporation.
- Section 2. Unless otherwise ordered by the Board of Trustees, the fiscal year-end of the Corporation shall be June 30.
- Section 3. If any provision of these Bylaws or its application to any person or circumstances is held invalid by a court of competent jurisdiction, the invalidity shall not affect other provisions or applications of these Bylaws that can be given effect without the invalid provision or application, and to this end the provisions of these Bylaws are severable.