

TABLE OF CONTENTS TO THE BYLAWS OF THE NIRSA FOUNDATION

ARTICLE I.	PURPOSES AND DEFINITIONS	3
Section 1.	<u>Purposes</u>	3
Section 2.	<u>Offices</u>	3
Section 3.	<u>Definitions</u>	3
ARTICLE II.	MEMBERS.....	4
Section 1.	<u>Membership</u>	4
Section 2.	<u>Meetings of Members</u>	4
	A. <u>Annual Meeting</u>	4
	B. <u>Special Meetings</u>	4
Section 3.	<u>Voting Rights</u>	4
Section 4.	<u>Notice of Meetings</u>	4
Section 5.	<u>Record Date</u>	5
Section 6.	<u>Members List</u>	5
Section 7.	<u>Action by Written Ballot</u>	6
Section 8.	<u>Quorum</u>	6
Section 9.	<u>Proxies</u>	6
Section 10.	<u>Expulsion or Suspension</u>	6
Section 11.	<u>Reinstatement</u>	7
Section 12.	<u>Transfers</u>	7
ARTICLE III.	BOARD OF DIRECTORS	7
Section 1.	<u>General Powers</u>	7
Section 2.	<u>Composition</u>	7
Section 3.	<u>Tenure</u>	7
Section 4.	<u>Limitations</u>	8
Section 5.	<u>Terms</u>	8
Section 6.	<u>Vacancies</u>	8
Section 7.	<u>Nominating Committee</u>	9
Section 8.	<u>Nomination and Election of the Foundation Board</u>	9
Section 9.	<u>Meetings of the Foundation Board</u>	9
	A. <u>Annual Meeting</u>	9
	B. <u>Special Meetings</u>	9
	C. <u>Notice</u>	10
	D. <u>Quorum</u>	10
	E. <u>Manner of Acting</u>	10
	F. <u>Reports to the Membership</u>	10
	G. <u>Actions by Written Consent</u>	10
	H. <u>Telephone Meetings</u>	10
Section 10.	<u>Conflicts of Interest</u>	11
Section 11.	<u>Salaries</u>	12
ARTICLE IV.	OFFICERS.....	12
Section 1.	<u>Officers</u>	12
Section 2.	<u>The Chair</u>	12
Section 3.	<u>The Vice-Chair</u>	12
Section 4.	<u>The Secretary/Treasurer</u>	12
Section 5.	<u>Vacancies</u>	12
Section 6.	<u>Salaries</u>	13
ARTICLE V.	PERMANENT ENDOWMENT FUND	13

Section 1.	<u>Earnings on Principal Funds</u>	13
Section 2.	<u>Use of Funds</u>	13
ARTICLE VI.	SHARES OF STOCK AND DIVIDENDS PROHIBITED	13
ARTICLE VII.	LOANS TO DIRECTORS AND OFFICERS PROHIBITED	13
ARTICLE VIII.	ACTIONS AGAINST OFFICERS AND DIRECTORS	14
ARTICLE IX.	CONTRACTS, LOANS, CHECKS, DEPOSITS, GIFTS	14
Section 1.	<u>Contracts</u>	14
Section 2.	<u>Loans</u>	14
Section 3.	<u>Checks, Drafts, Etc.</u>	14
Section 4.	<u>Deposits</u>	14
Section 5.	<u>Gifts</u>	14
ARTICLE X.	BOOKS AND RECORDS	14
Section 1.	<u>Books and Records</u>	14
Section 2.	<u>Financial Statements</u>	15
ARTICLE XI.	FISCAL YEAR	15
ARTICLE XII.	WAIVER OF NOTICE	15
ARTICLE XIII.	AMENDMENT OF ARTICLES AND BYLAWS	15
Section 1.	<u>Amendment of Articles of Incorporation</u>	15
Section 2.	<u>Amendment of Bylaws</u>	16
ARTICLE XIV.	CHOICE OF LAW AND CHOICE OF FORUM	16
Section 1.	<u>Choice of Law.</u>	16
Section 2.	<u>Choice of Forum.</u>	16
ARTICLE XV.	ROBERT’S RULES OF ORDER REVISED	16
ARTICLE XVI.	HEADINGS	16

RESTATED BYLAWS OF THE NIRSA FOUNDATION

As adopted by the NIRSA Foundation Board of Directors March 7, 2001 and
Approved by NIRSA Board of Directors on March 26, 2001.
Amended on January 12, 2011.

ARTICLE I. PURPOSES AND DEFINITIONS

Section 1. Purposes. The Purposes for which the NIRSA Foundation is organized are:

- A. To receive from gifts, bequests, devises, property and monies to support education and scholarly activities that help advance the recreational sports profession, within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986;
- B. To engage in fund-raising and the disbursement of funds to support scholarships, research, student professional development, education resources, work which promotes multi-cultural and diversity awareness and programming, and similar interests in the recreational sports profession, within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986;
- C. To engage in any lawful activity for which corporations may be organized under Oregon law, none of which is for profit, and within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986; and
- D. Notwithstanding any other provision in this Article 1, the corporation is organized exclusively for charitable and educational purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1986.

Section 2. Offices. The principal office of the Foundation shall be located in the state of Oregon. The Foundation may have such other offices, either within or without the state of Oregon, as the Foundation Board may determine or as the affairs of the Foundation require from time to time.

Section 3. Definitions.

- A. “Designated Directors” shall mean the appointed representative from the NIRSA Board of Directors and the member at large or business representative;
- B. “Foundation Board” shall refer to the Board of Directors of the NIRSA Foundation;
- C. “NIRSA” shall mean the National Intramural-Recreational Sports Association;

- D. “Professional Member” shall mean any individual who is presently employed and/or previously directly associated in the administration of intramural and recreational programs, and who is currently a member in good standing of NIRSA as a Professional Member;
- E. “Professional Life Member” shall mean any Professional Member of NIRSA who is eligible for Professional Life Membership status in NIRSA after two consecutive years as an active Professional Member in good standing of NIRSA and who has completed the required application and has paid the then-designated membership fee to NIRSA;
- F. “Emeritus Member” shall mean any Professional Member of NIRSA who is eligible for Emeritus Membership status in NIRSA after 10 continuous years of membership at the time of retirement from NIRSA and is approved by the NIRSA Board for Emeritus Membership under the terms and conditions set forth in the NIRSA Bylaws; and
- G. “Act” shall mean the Oregon Nonprofit Corporation Act as codified in ORS Ch. 65, as amended from time to time.

ARTICLE II. MEMBERS

Section 1. **Membership.** All current dues-paying Professional Members, Professional Life Members and Emeritus Members of NIRSA shall be members of the NIRSA Foundation by reason of such status in NIRSA.

Section 2. **Meetings of Members.**

- A. **Annual Meeting.** The annual meeting of members shall be held during the week of the Annual Conference at a time and place to be designated by the Foundation Board.
- B. **Special Meetings.** Special meetings of the members for any purpose or purposes, unless otherwise proscribed by statute, may be called by the Foundation Board.

Section 3. **Voting Rights.** Each member shall be entitled to one vote on each matter submitted to a vote of the members.

Section 4. **Notice of Meetings.** Written or printed notice stating the place, day and hour of a meeting of members and, in case of a special meeting of members, the purpose or purposes for which the meeting is called, shall be given to each member entitled to vote at such meeting no fewer than seven (7) days before such meeting, or if the notice is mailed by other than first class or registered mail, no fewer than 30 days, but in any event, not more than 60 days before the meeting. This requirement of notice for either the annual meeting or a special meeting may be fulfilled by printing of the notice in NIRSA’s regular publication no less than thirty (30) days prior to the meeting.

The notice of the annual meeting shall include the names of those persons nominated for directorship, as provided for in Article III, Sections 7 and 8 of these Restated Bylaws, to be voted on by the members at the annual meeting. To the extent allowed by law, notice of either the annual meeting or a special meeting may be fulfilled by electronic mail or such other form of computer communication whereby members either directly or indirectly receive notice of the meeting.

Section 5. Record Date. For purposes of determining members entitled to notice of a members' meeting or to vote at or take any other lawful action at any meeting of members, or any adjournment thereof, or in order to make a determination of members for any other proper purpose, the record date shall be fixed as follows:

- A. For purposes of determining the members entitled to notice of a members' meeting, the record date shall be the day before the day on which first notice is mailed or otherwise transmitted to members, or if such notice is waived, the day preceding the day on which the meeting is held;
- B. For purposes of determining the members entitled to vote at a members' meeting, the record date shall be the date of the meeting;
- C. For purposes of determining the members entitled to exercise any rights in respect to any other lawful action, the record date shall be the date on which the Board adopts the resolution relating thereto, or the 60th day prior to the date of such other action, whichever is later.

Section 6. Members List.

- A. The Foundation shall prepare an alphabetical list of the names, addresses and membership dates of all its members. The list must show the number of votes each member is entitled to vote at the meeting. The Foundation shall prepare on a current basis through the time of the membership meeting a list of members, if any, who are entitled to vote at the meeting, but who are not part of the main list of members.
- B. The list of members shall be available for inspection by any member for the purpose of communication with other members concerning the meeting, beginning two business days after notice of the meeting is given for which the list was prepared and continuing through the meeting, at the Foundation's principal office or at a reasonable place identified in the meeting notice in the city or other location where the meeting will be held. A member, or the member's agent or attorney, is entitled, on written demand setting forth a proper purpose, to inspect and, subject to the requirements of the Act, to copy the list at a reasonable time and at the member's expense, during the period it is available for inspection. "Proper purpose" does not include solicitation or other commercial use of the members list.
- C. The Foundation shall make the list of members available at the meeting, and any member, or the member's agent or attorney, is entitled to inspect the list for any proper purpose at any time during the meeting or any adjournment.

Section 7. Action by Written Ballot.

- A. Any action which may be taken at any annual or special meeting of members may be taken without a meeting, if so determined by the Foundation Board, if the Foundation delivers a written ballot to every member entitled to vote on the matter at the member's last known address as shown on the Foundation's record.
- B. The written ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action.
- C. Approval by written ballot pursuant to this section shall be valid only when the number of votes cast by ballot equals or exceeds any quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of approvals that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.
- D. All solicitations for votes by written ballot shall:
 - (i) indicate the number of responses needed to meet the quorum requirements;
 - (ii) state the percentage of approvals necessary to approve each matter, other than the election of directors;
 - (iii) contain instructions for marking and returning of the ballot; and
 - (iv) specify a reasonable time by which a ballot must be received by the Foundation in order to be counted.

Section 8. Quorum. A majority of the members present and entitled to vote, represented in person or by proxy shall constitute a quorum at a meeting of the members. The members present at a duly organized meeting may continue to transact business until adjournment notwithstanding the withdrawal of enough members to leave less than a quorum.

Section 9. Proxies. Every member shall have the right to cast his/her vote either in person or by proxy executed in writing by the member or by his/her duly authorized attorney-in-fact. Such proxy shall be filed with the Foundation Board Chair before or at the time of the meeting. No unrevoked proxy shall be valid after eleven months from the date of its execution unless some other definite period of validity shall be expressly provided therein. No proxy may be effectively revoked until notice in writing of such revocation has been given to the Foundation Board Chair.

Section 10. Expulsion or Suspension. Any member may be expelled or suspended from membership by the Foundation Board for cause.

In the event that the Foundation Board deems it appropriate to initiate proceedings to expel or suspend a member, the Foundation Board shall give such member written notice of the proposed expulsion or suspension and the reason(s)

for such proposed expulsion or suspension not less than 15 days prior to the date that such expulsion or suspension is due to take effect. If within said 15-day period the member requests the opportunity to be heard, the President shall either set a date for the member to be heard on the question of such member's expulsion or suspension or, at the discretion of the President, shall permit such member to present written testimony on the issue of such member's expulsion or suspension. The President shall appoint not less than three (3) board members to hear or decide the member's appeal. Only those board members present for oral testimony, or those board members who personally review the written testimony, shall be eligible to vote concerning the expulsion or suspension of such member. A two-thirds vote of such directors is required to expel or suspend such member. The effective date of any such expulsion or suspension shall be no sooner than five days following said oral or written testimony. Any written notice given pursuant to this section by mail, must be given by first class, certified mail, return receipt requested, sent to the last address of such member shown on the Foundation's record. Any member who has been expelled or suspended will continue to be liable to the Foundation for those assessments or fees incurred by such member prior to the expulsion or suspension.

Section 11. **Reinstatement.** After the expiration of one year from the date of expulsion or suspension for cause, and upon written request by a former member and filed with the Foundation, the Foundation Board may, by affirmative vote of a simple majority of the directors, reinstate such former member upon such terms as the Foundation Board deems appropriate.

Section 12. **Transfers.** No member may transfer a membership or any right arising there from.

ARTICLE III. BOARD OF DIRECTORS

Section 1. **General Powers.** The affairs of the Foundation shall be managed by the Foundation Board of Directors.

Section 2. **Composition.** The Board of Directors shall consist of nine members to be known as the Foundation Board of Directors (the "Foundation Board".) Seven of the members must be Professional Members, Professional Life Members or Emeritus Members of NIRSA. The other members shall be the representative from the NIRSA Board of Directors and one member at large or business representative, who expresses an interest in serving on the Foundation Board, to be nominated by the Foundation Board Chair and confirmed by a majority vote of the Foundation Board.

Section 3. **Tenure.** Each Professional, Professional Life Member or Emeritus Member shall serve for three years, with at least two positions expiring each year. The member at large or business representative shall serve for one year and may serve for as many terms as nominated by the Foundation Board Chair and confirmed by a majority vote of the Foundation Board.

Section 4. **Limitations.** No member of the Foundation Board, with the exception of the Designated Directors, shall be elected or appointed to more than two consecutive three-year terms. A majority of the Directors shall not be Directors of NIRSA.

Section 5. **Terms.** The adjournment of the annual meeting of members shall be the expiration date of the respective terms of the members of the Foundation Board, and regardless of the date of the appointment of the new member, the term shall end as of the official expiration date of the member replaced.

Section 6. **Vacancies.**

- A. A vacancy on the Foundation Board shall exist upon the death, resignation, failure to qualify as a member, or removal of any director.
- B. The Foundation Board shall fill any vacancy occurring in the Foundation Board. The director appointed to fill a vacancy shall be appointed for the unexpired term of the vacant directorship or, in the event a Designated Directorship is vacant, any director appointed to fill the vacancy shall be appointed only until such time that a new President or Executive Director of NIRSA assumes office in NIRSA.
- C. All or any number of directors, with the exception of the Designated Directors, may be removed, with or without cause, at a meeting called expressly for that purpose by a majority vote of the members present. Absence of any elected director from three consecutive meetings of the Foundation Board without an excuse deemed valid by the Foundation Board may be considered as cause for removal.
- D. Any director may resign at any time by giving written notice to the Foundation Board, the Chair, or the Secretary/Treasurer of the Foundation. Except as otherwise provided by law, any such resignation shall take effect upon the receipt of such notice or at any later time specified therein. Unless otherwise specified in the notice, the acceptance of such resignation shall not be necessary to make it effective. In the event the resignation of a director is tendered to take effect at a future time, a successor may be appointed to take office when the resignation becomes effective.
- E. Vacancies on the Foundation Board and any directorship to be filled by reason of an increase in the number of directors may be filled by a majority of the remaining directors though less than a quorum, or by a sole remaining director. Each director so elected shall hold office for the balance of the unexpired term of his/her predecessor and until his/her qualified successor is elected and accepts office. In the event that the action described in the preceding sentence is by a majority of the remaining directors though less than a quorum or by a sole remaining director, then the appointment of directors to fill vacancies shall be ratified by the members at either a special or annual meeting; however, the appointment shall be effective notwithstanding the expiration of time to either a special or annual meeting.

Section 7. **Nominating Committee.**

The Foundation Board shall appoint a nominating committee for the purpose of nominating prospective members of the Foundation Board to be voted on by the general membership of the Foundation at the Annual Meeting.

- A. The nominating committee shall be comprised of two Directors who are Professional Members, Professional Life Members or Emeritus Members and the Foundation Board Chair.
- B. The nominating committee shall not be considered a committee of the Foundation Board pursuant to ORS 65.354. Members of the nominating committee need not hold formal meetings, and may conduct the business of the nominating committee, including the selection of persons to be nominated by the Foundation Board as future Directors, via telephone, electronic mail, or such other communications devices as they deem appropriate and necessary.

Section 8. Nomination and Election of the Foundation Board.

- A. The seven Professional Member, Professional Life Member or Emeritus Member Directors of the Foundation Board shall be nominated for the position of Director by the existing Foundation Board. The member at large or business representative Director shall be nominated by the Director who is the current Chair of the Foundation Board and confirmed by a majority vote of the Foundation Board.
- B. The nominations for new directors must be approved by a majority of the Foundation members present and entitled to vote, represented in person or by proxy, at the Annual Meeting.
- C. Additional nominations for directors may be recommended to the Foundation members at the Annual Meeting via a nominating petition which must be signed by twenty-five (25) or more Foundation members and submitted to the Foundation Board at least ninety (90) days prior to the Annual Meeting. In the event the number of persons nominated for director positions exceeds the number of vacancies to be filled, the persons receiving the highest number of votes shall be elected to fill the vacancies. In the event of a tie vote, the members shall vote only on those nominees who were tied in the initial vote, with the winner being elected to fill the remaining vacancy.

Section 9. Meetings of the Foundation Board.

- A. Annual Meeting. The Annual Meeting of the Foundation Board shall be held after the Annual Meeting of the Foundation members and in conjunction with the Annual Conference.
- B. Special Meetings. Special Meetings of the Foundation Board may be held whenever called by two or more of the Directors.
- C. Notice. Notice of the time and place of any special meeting of the Foundation Board shall be delivered at least two (2) days previously thereto by written notice delivered personally or sent by mail to each director at his/her address as shown by the records of the Foundation. If mailed, such notice shall be deemed to be delivered 7 days after being deposited in the United States mail in postage prepaid, sealed envelope appropriately addressed to said director. Any director may waive notice of any meeting. The attendance of a director at any meeting shall constitute a waiver of notice for such meeting, except where a director

attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the purpose of, nor the business to be transacted at, any annual meeting or special meeting of the board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law, by the articles of incorporation, or by these bylaws.

- D. Quorum. A majority of the directors in office immediately before a meeting begins shall constitute a quorum for the transaction of business at any meeting of the board. If there is not a quorum at any said meeting, a majority of the directors present may adjourn the meeting from time to time without further notice other than announcement at the meeting, until a quorum shall be present.
- E. Manner of Acting. The act of a majority of the directors present in person at a meeting at which a quorum is present shall be the act of the Foundation Board, unless the act of a greater number is required by law, by the articles of incorporation, or by these bylaws.
- F. Reports to the Membership. The Foundation Board shall report the results of actions taken by the board to the membership in NIRSA's regular publication, on NIRSA's internet website, or at the annual meeting of members.
- G. Actions by Written Consent. Any Foundation action required or permitted by the Articles of Incorporation and Bylaws of the Foundation, or by the laws of the State of Oregon, to be taken at a meeting of the Foundation Board may be taken without a meeting if a consent in writing setting forth the actions so taken shall be signed by all of the Directors entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as a unanimous vote and may be described as such.
- H. Telephone Meetings. Members of the Foundation Board, or any committee designated by the Foundation Board, may participate in a meeting of the Foundation Board, or any committee, by means of conference telephone or similar communications equipment by means of which all persons in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting. To the extent allowed by law, a meeting of the Foundation Board may be conducted by electronic mail or other such form of computer communication whereby all Directors may simultaneously communicate with each other.

Section 10. Conflicts of Interest

- A. A transaction in which a director of this corporation has a conflict of interest may be approved:
 - (i) By the vote of the Foundation Board or a committee of the Foundation Board if the material facts of the transaction and the director's interest are disclosed or known to the Foundation Board or a committee of the Foundation Board; or
 - (ii) By obtaining approval of the:

- (1) Oregon Attorney General; or
 - (2) The circuit court in an action in which the Oregon Attorney General is joined as party.
- B. A conflict of interest transaction is a transaction with the Foundation in which a Director of the Foundation has a direct or indirect interest. A conflict of interest transaction cannot be void for the basis for imposing liability on the director if the transaction is fair to the Foundation at the time it was entered into or is approved as provided in Subsection A of the Section.
- C. For the purposes of this Section, a Director of the Foundation has an indirect interest in a transaction if:
- (i) Another entity in which the Director has a material interest or in which the director is a general partner is a party to the transaction; or
 - (ii) Another entity of which the Director is a director, officer or trustee is a party to the transaction, and the transaction is or should be considered by the Foundation Board of the Foundation.
- D. For purposes of subsection A of this Section, a conflict of interest transaction is authorized, approved or ratified if it receives the affirmative vote of a majority of the directors on the Foundation Board, or on a Foundation Board committee, who have no direct or indirect interest in the transaction. A transaction may not be authorized, approved or ratified under this Section by a single director. If a majority of the directors, who have no direct or indirect interest in the transaction vote to authorize, approve or ratify the transaction, a quorum is present for the purpose of taking action under this Section. The presence of, or a vote cast by, a director with a direct or indirect interest in the transaction does not affect the validity of any action taken under subparagraph A(i) of this Section if the transaction is otherwise approved as provided in paragraph A of this Section.

For purposes of subparagraph A (ii) of this Section, a conflict of interest transaction is authorized, approved or ratified by the members if it receives a majority of the votes entitled to be counted under this subsection. Votes cast by or voted under the control of a director who has a direct or indirect interest in the transaction, and votes cast by or voted under the control of an entity described in paragraph C of this Section may be counted in a vote of members to determine whether to authorize, approve or ratify a conflict of interest transaction under subparagraph A (ii) of this Section. A majority of the members, whether or not present, that are entitled to be counted in a vote on the transaction under this subparagraph constitutes a quorum for the purpose of taking action under this Section.

Section 11. **Salaries.** The Directors shall serve without compensation from the Foundation; provided, however, that a Director shall be entitled to reimbursement of out-of-pocket expenses incurred on behalf of the Foundation.

ARTICLE IV. OFFICERS

- Section 1.** **Officers.** The officers of the Foundation shall be appointed by the Foundation Board and shall be the Chair, Vice-Chair, and Secretary/Treasurer, who is an ex-officio, non-voting member.
- Section 2.** **The Chair.** The Chair shall exercise the usual executive powers pertaining to the office of Chair, corresponding to the office of President under the Act. The Chair shall preside at meetings of the Foundation Board and the membership.
- Section 3.** **The Vice-Chair.** In the absence or disability of the Chair, the Vice-Chair shall act as Chair.
- Section 4.** **The Secretary/Treasurer.** The Executive Director of NIRSA shall be the Secretary/Treasurer of the Foundation. It shall be the duty of the Secretary/Treasurer to keep all records of the proceeding of the Foundation Board and to the membership and to invest and expend funds as directed by the Foundation Board. The Secretary/Treasurer shall also serve as coordinator of fund distribution and allocation.
- Section 5.** **Vacancies.**
- A. Vacancies in any office arising from any cause may be filled by the Foundation Board at any regular or special meeting of that body.
 - B. Any officer, assistant officer, or agent may be removed, or any office not required by the Articles of Incorporation or by statute, may be abolished at any time by the affirmative vote of a majority of the Foundation Board whenever in its judgment the best interest of the Foundation will be served thereby.
 - C. Any officer, assistant officer, or agent may resign at any time by giving written notice to the Foundation Board, the President, or the Secretary/Treasurer of the Foundation. Except as otherwise provided by law, any such resignation shall take effect upon receipt of such notice or at any later time specified therein. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.
 - D. This section shall not affect the contract rights of the Foundation or any officer, assistant officer, or agent.
 - E. Election or appointment of an officer or agent shall not by itself create contract rights.
- Section 6.** **Salaries.** The officers shall serve without compensation from the Foundation; provided, however, that an officer shall be entitled to reimbursement of out-of-pocket expenses incurred on behalf of the Foundation.

ARTICLE V. PERMANENT ENDOWMENT FUND

- Section 1.** **Earnings on Principal Funds.** Earnings on the principal funds shall be retained and reinvested until the balance in the fund reaches \$100,000, hereinafter referred to as the Endowment Fund Balance. The Endowment Fund Balance

shall be kept separate from and accounted for separately from the general operating funds and assets of the Foundation.

Section 2. Use of Funds. The Foundation shall restrict the use of the Endowment Fund Balance to investment purposes and otherwise not use the Endowment Fund Balance except that the income from the Endowment Fund Balance may be expended at the discretion of the Foundation Board for the purposes set forth in Article I of these Bylaws and in the Restated Articles of Incorporation. This statement shall not in any way limit the discretion of the Foundation Board and its advisors in the exercise of their discretion for investment decisions of the Endowment Fund Balance. The Foundation Board may vote to approve the expenditure of any or all of the Endowment Fund Balance in the event circumstances arises necessitating such use. Such approval shall require the approval of not less than a 70 percent majority of the then-existing Board of Directors represented in person or by proxy at any Annual Meeting or special meeting called for such purposes.

ARTICLE VI. SHARES OF STOCK AND DIVIDENDS PROHIBITED

The Foundation shall not have nor issue shares of stock. No dividend shall be paid and no part of the income of the Foundation shall be distributed to its directors or officers.

ARTICLE VII. LOANS TO DIRECTORS AND OFFICERS PROHIBITED

No loan shall be made by the Foundation to its directors or officers. the directors of the Foundation who vote for or assent to the making of a loan to a director or officer of the Foundation, and any officer or officers participating in the making of such loan, shall be jointly and severally liable to the Foundation for the amount of such loan until the repayment thereof.

Any director against whom a claim shall be asserted under or pursuant to this Article VII shall be entitled to contribution from the other directors who voted for the action upon which the claim is asserted.

To the extent that any director is required to pay such claim, he or she shall be surrogated to the rights of the Foundation against the debtor on the loan.

ARTICLE VIII. ACTIONS AGAINST OFFICERS AND DIRECTORS

The Foundation shall indemnify to the fullest extent permitted by the Act any person who has been made, or is threatened to be made, a party to an action, suit, or proceeding, whether civil, criminal, administrative, investigative, or otherwise (including an action, suit, or proceeding by or in the right of the Foundation), by reason of the fact that the person is or was a director or officer of the Foundation, or a fiduciary within the meaning of the Employee Retirement Income Security Act of 1974 with respect to an employee benefit plan of the Foundation, or serves or served at the request of the Foundation as a director or as an officer, or as a fiduciary of an employee benefit plan, of another corporation, partnership, joint

venture, trust, or other enterprise. Additionally, the Foundation shall carry Directors and Officers liability insurance.

ARTICLE IX. CONTRACTS, LOANS, CHECKS, DEPOSITS, GIFTS

- Section 1.** **Contracts.** The Foundation Board may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Foundation and such authority may be general or confined to specific instances.
- Section 2.** **Loans.** No loans shall be contracted on behalf of the Foundation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Foundation Board. Such authority may be general or confined to specific instances.
- Section 3.** **Checks, Drafts, Etc.** All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness, issued in the name of the Foundation shall be signed by such officer or officers, agent or agents of the Foundation and in such manner as shall from time to time be determined by resolution of the Foundation Board.
- Section 4.** **Deposits.** All funds of the Foundation not otherwise employed shall be deposited from time to time to the credit of the Foundation in such banks, trust companies, or other depositories as the Foundation Board may select.
- Section 5.** **Gifts.** The Foundation Board may accept on behalf of the Foundation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Foundation.

ARTICLE X. BOOKS AND RECORDS

- Section 1.** **Books and Records.** The Foundation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of the Foundation Board and committees having any authority of the Foundation Board, and shall keep at its registered or principal office a record giving the names and addresses of the directors entitled to vote.
All books and records of the Foundation may be inspected by any director, or his/her agent or attorney, or any member of the Foundation, or his/her agent or attorney, for any proper purpose at any reasonable time.
- Section 2.** **Financial Statements.** After the close of each taxable year, the directors shall engage a Certified Public Accountant to prepare a financial statement for the Foundation and otherwise file the appropriate reports with federal and state authorities as may be applicable.

ARTICLE XI. FISCAL YEAR

The fiscal year of the Foundation shall be January 1 through December 31.

ARTICLE XII. WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of the Act 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 XIII. AMENDMENT OF ARTICLES AND BYLAWS

Section 1. **Amendment of Articles of Incorporation.** The Articles of Incorporation of the Foundation may be altered, amended, or restated by the Foundation Board and members in the following manner:

- A. The Foundation Board shall, at any annual or special meeting of the Foundation Board, adopt a resolution setting forth the proposed alteration, amendment or restatement and directing that it be submitted to a vote of the members at an annual or special meeting of the members.
- B. Written notice of the date, time and place of such annual or special meeting of the directors or members shall be sent by first class mail to each director or member entitled to vote not less than thirty (30) days prior to the scheduled meeting. The requirement of notice may be fulfilled by printing of the notice in NIRSA's regular publication. The notice to directors and members shall include or be accompanied by a copy or summary of the proposed alteration, amendment, or restatement, or state the general nature of the change. The notice may also direct the directors or members to the Foundation's website to obtain a copy or summary of the proposed alteration, amendment, or restatement.
- C. The proposed alteration, amendment, or restatement shall require approval by a majority vote of the Foundation Board. The proposed alteration, amendment, or restatement shall be adopted upon receiving approval by a two-thirds vote of the members present, in person or by absentee ballot, at such annual or special meeting. Voting by the members may also be conducted by mail ballot in accordance with these Bylaws.

Section 2. **Amendment of Bylaws.** The Bylaws of the Foundation may be altered, amended or repealed and new Bylaws may be adopted by the affirmative vote of a majority of the Foundation Board.

ARTICLE XIV. CHOICE OF LAW AND CHOICE OF FORUM

Section 1. **Choice of Law.** The validity of these Bylaws, and the rights, obligations and relations of the parties hereunder, shall be construed and determined under and in accordance with the substantive laws of the State of Oregon, without regard to its principles of conflicts of law.

Section 2. **Choice of Forum.** Any action, suit, or proceeding arising from or relating to these Bylaws as to any matter not subject to arbitration or with respect to any arbitration proceeding or award will not be commenced except in the appropriate court (state or federal) in the City of Corvallis, State of Oregon. The parties expressly consent to jurisdiction of such court.

ARTICLE XV. ROBERT'S RULES OF ORDER REVISED

Unless otherwise provided by the Act or these Bylaws, all meetings and proceedings of the Foundation shall be governed by, and in accordance with, Robert's Rules of Order Revised.

ARTICLE XVI. HEADINGS

The headings contained in these Bylaws are for convenience only and shall not in any way affect the meaning or interpretation of these Bylaws.

I, Kent J. Blumenthal, as Secretary/Treasurer of the NIRSA Foundation, do hereby certify the foregoing to be the Bylaws of said Foundation, as adopted by resolution of the NIRSA Foundation Board on January 12, 2011.

Kent J. Blumenthal, Secretary/Treasurer

These bylaws were adopted by the Board of Directors and are effective January 12, 2011.

Kent J. Blumenthal, Secretary/Treasurer