

BY-LAWS OF THE ZETA BETA TAU FOUNDATION, INC.

Approved:
Revised: July 2012
July 2016
October 2017
February 2019

ARTICLE I. NAME

The name of the corporation is The Zeta Beta Tau Foundation, Inc. In these by-laws, the corporation may also be referred to as the “Foundation.”

ARTICLE II. BOARD OF DIRECTORS

Section 1. **Members.** The Board of Directors shall consist of not less than nine (9), nor more than nineteen (19), voting Directors to be elected by the Board of Directors pursuant to Article III. The incumbent International President of Zeta Beta Tau Fraternity shall be a nonvoting ex-officio member of the Board.

Section 2. **Term.** Election of Director(s) shall take place at regular- meetings of the Board of Directors. An individual need not be a member of Zeta Beta Tau Fraternity to be elected as a Director but must be willing to meet the Expectations of the Foundation adopted by the Board of Directors as the same may be amended, modified or restated from time to time. Directors shall be elected to serve for three (3) year terms. No Director shall be eligible to serve more than three (3) consecutive, full three-year (3) terms. The Immediate Past President shall continue as a voting member of the Board regardless of whether his eligibility limitation has been met until such time as he is no longer Immediate Past President.

Section 3. **Power of Directors.** Corporate powers shall be exercised by or under the authority of, and the business and affairs of the corporation managed under the direction of the Board of Directors. The Board of Directors may establish such policies of the Foundation as the Board deems necessary or desirable for the operations of the Foundation. Notwithstanding the foregoing, in no event shall the Directors authorize or permit the Foundation to: make any expenditures or investments, or engage in any activities which may endanger the tax-exempt status of the Foundation.

Section 4. **Meetings.**

(a) **Regular Meetings.** The Board of Directors shall hold at least two (2) regular meetings in each calendar year, at a date and time to be determined by the Board, one of which shall be the Annual Meeting. The Annual Meeting of the Board of Directors shall be the last called regular meeting of the calendar year and shall be held at such place and location as determined by the Board. Regular meetings of the Board of Directors may be held upon such notice or without notice, at the time and place that the Board of Directors shall from time to time determine.

(b) **Special Meetings.** Special meetings of the Board may be called by the President, upon his own motion, and must be called by the President upon the written request of one-third (1/3) of the elected Directors. Notice of special meetings of the Board of Directors stating the time and, in brief, the purpose or purposes thereof shall be mailed, emailed, or personally delivered to each director not later than two days before the day appointed for the meeting. Each Director shall register his address with the Secretary, and notices of meetings mailed, emailed or delivered to such address shall be valid notices thereof. Certification by the Secretary that he has given notice in the manner herein provided shall be included in the minutes of the meeting so called and, if read and approved at a subsequent meeting of the Board of Directors, shall be conclusive on the question of service of notice. Notice may be waived in a writing, signed by the Director entitled to notice, and filed with the minutes or the corporate records. Attendance at or participation in any meeting (a) waives objection to lack of notice or defective notice, unless the director at the beginning of the meeting objects to holding the meeting or transacting business at

the meeting, and (b) waives objection to consideration of a particular matter at the meeting that is not within the purposes described in the meeting notice, unless the director objects to considering the matter when the matter is presented.

(c) **Presence at Meetings.** Any meeting, other than the Annual Meeting, may be held by telephone conference, video conference, or other electronic means by which all Directors participating may simultaneously hear each other during the meeting, as determined by the Board or the President. A Director participating by telephone conference, video conference or other such electronic means shall be “present” at the meeting.

Section 5. **Quorum.** One-half (1/2) of the Board of Directors (rounded to the next whole number), but in no event fewer than two (2) Directors, shall constitute a quorum for meeting purposes.

Section 6. **Action Without A Meeting.** Any action required or permitted to be taken at any meeting of the Board of Directors, or any committee thereof, may be taken without a meeting if a written consent describing such action is signed by each director or committee member and such written consent is included in the minutes or filed with the Foundation’s records reflecting the action taken. Action taken by written consent shall be effective when the last director or committee member signs the consent, unless the consent specifies a prior or subsequent effective date. A consent signed as described herein shall have the effect of a unanimous vote at a meeting of the directors and may be described as such in any document

ARTICLE III. OFFICERS

Section 1. **Officers of the Foundation.** The officers of the Foundation shall be a President, a Secretary, a Treasurer and such other officers as the Board of Directors deem necessary. Any two or more offices may be held by the same person, except that no person may hold both the offices of President and Secretary. Only members of the Board of Directors may be officers, and the officers shall serve without compensation.

Section 2. **Term.** The Board of Directors shall elect officers on or before the Annual Meeting of the Board. Such officers shall hold office for terms of two (2) years, or until their successors have been duly elected. No individual shall be eligible to be elected to more than two (2) consecutive terms for the same office.

Section 3. **Duties.** The duties of the various offices shall be as follows:

(a) **President:** The President shall be the presiding officer at all Board of Directors Meetings and shall perform the duties customary for those offices and such other duties as may be assigned by the Board. The President shall be an ex officio member of all committees. The President, and/or such other persons as the Board of Directors shall designate, shall sign all written contracts and obligations of the Foundation when authorized by the Board of Directors.

(b) **Treasurer:** The Treasurer, or designee, shall be responsible for keeping the accounts of the Foundation. He shall oversee the collection and receipt of all monies due the Foundation and the deposit of the same in the name of the Foundation in such bank, brokerage firm, or trust company, as may be designated by the Board of Directors. These funds shall not be drawn upon except by check, or other instrument, or by wire or automated clearing house transfer signed or authorized by him (as the case may require), as Treasurer, or by such other person authorized to do so by the Board of Directors. He shall be responsible for overseeing the payment of all bills and other indebtedness of the Foundation approved by the Board of Directors and shall present a report at each Annual Meeting of the Board, and when otherwise called upon, either by the President or the Board of Directors, to do so. The accounts shall be subject to an annual audit by independent Certified Public Accountants engaged by the Board of Directors. Notwithstanding the foregoing provisions of this Article, the Board of Directors may, from time to time, designate two (2) other officers to jointly draw upon the funds of the Foundation. Also, funds of the Foundation, to such limited extent as the Board of Directors may prescribe as necessary for the payment of routine expenses of the Foundation for periods not in excess of two (2) consecutive months, may be deposited in a designated account, subject to withdrawal by such other officer or officers as the Board of Directors may, from time to

time, designate. The Treasurer shall, in the absence of the Secretary, or in the event of the Secretary's inability to act, have the Secretary's powers and perform the Secretary's duties.

(c) **Secretary:** The Secretary shall attend each meeting of the Board of Directors and keep the minutes of the proceedings, keep in his charge all minutes of meetings, Bylaws, Articles of Incorporation, and such other books and papers as the Board of Directors may direct, and conduct the correspondence of the Foundation. The Secretary shall, in the absence of the Treasurer, or in the event of the Treasurer's inability to act, have the Treasurer's powers and perform the Treasurer's duties.

Section 4. **Staff Appointments.** On behalf of the Foundation, the Board of Directors may appoint and employ one or more persons for the Foundation, on such terms and conditions as they determine in their discretion, to conduct the affairs of the Foundation as directed by the President and/or Board of Directors from time to time. Such persons shall be assigned such titles and responsibilities as determined to be necessary by the Board of Directors.

ARTICLE IV. COMMITTEES

Section 1. **Committees.** Except as stated in Article IV., Section (7), herein, the Foundation shall maintain six (6) standing committees: Corporate Governance Committee; Executive Committee; Audit Committee; Budget and Finance Committee; Investment Advisory Committee; and Scholarships and Grants Committee.

Section 2. **Corporate Governance Committee.**

(a) **Committee Purpose.** The purpose of the Corporate Governance Committee is: (1) to assist the Board by identifying individuals qualified to become Board members and to recommend to the Board the director nominees or to fill any vacancies; (2) to recommend to the Board the Corporate Governance Guidelines applicable to the Foundation; and (3) to lead the Board in its annual review of the Board's performance and to oversee the annual review of the performance of the Directors.

(b) **Committee Membership.** The Corporate Governance Committee shall consist of no fewer than three (3) members none of whom need be a member of the Board of Directors. Officers of the Foundation shall not be members of the Corporate Governance Committee.

The Corporate Governance Committee shall make membership recommendations to the Board of Directors for members of the Corporate Governance Committees. Corporate Governance Committee members may be removed by the Board in the same manner as provided in Article V, Section 4.

(c) **Committee Authority and Responsibilities.** The Corporate Governance Committee shall have the following authority and responsibility:

- (i) The Corporate Governance Committee shall develop and maintain criteria and procedures for the identification, recruitment and nomination of candidates for election to serve as directors of the Foundation. The Committee shall consider the performance of incumbent directors in determining whether to nominate them for re-election. The Corporate Governance Committee shall also recommend to the Board of Directors nominees where a vacancy is created due to the death, resignation, retirement or removal of a Director. The Corporate Governance Committee shall also have authority to obtain advice and assistance from internal and external legal, accounting or other advisors.
- (ii) The Corporate Governance Committee shall review and reassess the adequacy of the Corporate Governance Guidelines of the Foundation and recommend any proposed changes to the Board for approval.

- (iii) The Corporate Governance Committee shall study and review with the Board the overall effectiveness of the organization of the Board and the conduct of its business and make appropriate recommendations to the Board with regard thereto on an annual basis. The review shall include the requisite skills and characteristics of new Board members as well as the composition of the Board as a whole, including members' qualifications, as well as consideration of age, diversity, experience, and skills in the context of the needs of the Board.
- (iv) The Corporate Governance Committee shall oversee the Annual Director evaluation process.
- (v) The Corporate Governance Committee shall be responsible for reviewing with the Board any proposed major organizational changes to the Foundation.
- (vi) The Corporate Governance Committee shall perform such other duties and responsibilities as may be assigned to the Committee from time to time by the Board of Directors.
- (vii) The Corporate Governance Committee may form and delegate authority to subcommittees when appropriate.
- (viii) The Corporate Governance Committee shall make regular reports to the Board.
- (ix) The Corporate Governance Committee shall review and reassess the adequacy of these By-Laws annually and shall recommend any proposed changes to the Board for approval. The Corporate Governance Committee shall also oversee the

review of all provisions and charters governing the operation of the Foundation's committees.

- (x) The Corporate Governance Committee shall annually review its own performance.

Section 3. Executive Committee.

(a) **Committee Purpose.** The purpose of the Executive Committee is to act between meetings of the Board of Directors.

(b) **Committee Membership.** The Executive Committee shall consist of all officers of the Foundation and the Immediate Past President. The President shall act as Chairman of the Executive Committee but shall not have a vote other than to break deadlock. Three (3) members shall constitute a quorum.

(c) **Committee Authority and Responsibilities.** The Executive Committee shall have and exercise all the powers of the Board and report any such action to the Board of Directors at its next following meeting.

Section 4. Audit Committee.

(a) **Committee Purpose.** The purpose of the Audit Committee is to oversee the regular audit of the Foundation's financial affairs.

(b) **Committee Membership.** The Audit Committee shall consist of no less than three (3) members. Members of the Audit Committee need not be members of the Board of Directors. The chairman of the Audit Committee shall be selected by the President. Members of the Executive Committee shall be ineligible for service on the Audit Committee.

(c) **Committee Authority and Responsibilities.** The Audit Committee shall undertake a request for proposal process for auditor firms not less often than every

five years and shall have such other duties and authority as may be designated from time to time by the Board of Directors.

Section 5. Budget & Finance Committee.

(a) **Committee Purpose.** The purpose of the Budget and Finance Committee is to oversee the finances and budget of the Foundation.

(b) **Committee Membership.** The Budget and Finance Committee shall consist of no less than three (3) members of the Board of Directors. The Treasurer shall serve as chairman of the committee.

(c) **Committee Authority and Responsibilities.** The Budget and Finance Committee shall present an annual budget to the Board of Directors for consideration and report on the same from time to time. The Budget and Finance Committee shall also have any other duties and exercise the powers usually pertaining to such committee, as well as such other duties and authority as may be designated from time to time by the Board of Directors.

Section 6. Investment Advisory Committee.

(a) **Committee Purpose.** The purpose of the Investment Advisory Committee is to serve as a fiduciary and be responsible for directing and monitoring the investment management of Zeta Beta Tau Foundation assets.

(b) **Committee Membership.** The Investment Advisory Committee shall consist of no less than three (3) members of the Board of Directors. The chairman of the Investment Advisory Committee shall be selected by the President.

(c) **Committee Authority and Responsibilities.** The Investment Advisory Committee shall have the authority and responsibility provided it in the Zeta Beta Tau Foundation's Statement of Investment Policy as the same may be amended, modified or restated from time to time by the Board of Directors.

Section 7. **Scholarships and Grants Committee.**

(a) **Committee Purpose.** The purpose of the Scholarships and Grants Committee is to oversee the conduct of the Zeta Beta Tau Foundation's scholarship(s) program and grants.

(b) **Committee Membership.** The Scholarships and Grants Committee shall consist of no less than three (3) members of the Board of Directors. The chairman of the Scholarships and Grants Committee shall be selected by the President.

(c) **Committee Authority and Responsibilities.** The Scholarships and Grants Committee shall review all potential scholarship program and grant award(s) and provide recommendations for the same to the Board of Directors. The Scholarships and Grants Committee shall have such other duties and authority as may be designated from time to time by the Board of Directors.

Section 8. **Additional Committees.** There shall be such other committees as the Board of Directors shall, upon recommendation from the President, establish from time to time. Appointments to such committees shall be recommended by the President and approved by the Board of Directors.

**ARTICLE V.
ELECTION OF THE BOARD OF DIRECTORS**

Section 1. **Nominations.** Not less than forty-five (45) days prior to the annual meeting of the Board, the Corporate Governance Committee shall submit to the President and Secretary its recommendations to fill vacancies.

Section 2. **Election of Directors.** At said meeting of the Board of Directors of the Foundation, the persons receiving a plurality of the votes cast shall be deemed elected voting Directors. All vacancies in the membership of the Board of Directors occurring by death, resignation or otherwise, may be filled by members of the Board, and the persons so chosen shall serve until the next Meeting, when their term shall be deemed to expire and

their successors shall be nominated and elected to complete the balance, if any, of the term of the members whose vacancy has been filled by the Board.

Section 3. **Election of Officers.** After the election of the Board of Directors on or before the Annual Meeting, the Board shall proceed to elect the officers authorized by Article III of these By-Laws. In the event any vacancy among the Officers occurs by death, resignation, or otherwise, the Board may fill such vacancy at its next meeting. The officers shall assume the office to which they have been elected at the conclusion of the Annual Meeting.

Section 4. **Removal of Directors.** A Director may be removed from the Board of Directors, by unanimous written consent of the Board of Directors, or by a two-thirds vote of the Directors at a special meeting called by the President for the sole purpose of considering whether or not the Director should be removed from office.

Section 5. **Removal of Officers.** An Officer may be removed by unanimous written consent of the Board of Directors, or by a two-thirds vote of the Directors at a special meeting called by the Board of Directors as specified in Article II, Section (4) for the sole purpose of considering whether or not the Officer shall be removed from office.

ARTICLE VI. RESIGNATIONS

Section 1. **Written Resignations.** Resignations of Directors, Officers, and committee members shall be in writing, and shall take effect upon receipt by the Board of Directors.

ARTICLE VII. AMENDMENTS

Section 1. **Procedure.** Amendment of these By-Laws may be made and adopted by a two-thirds (2/3rd) vote of the Board members present at a meeting of the Board of Directors, provided that the notice of such meeting shall contain the text of the proposed amendment.

**ARTICLE VIII.
INDEMNIFICATION OF DIRECTORS, OFFICERS, COMMITTEE CHAIRMEN
AND MEMBERS**

Any person who is or was made or threatened to be made a party to any legal proceeding by reason of the fact that he or she is or was a director, officer, agent or employee of the Foundation, or is or was serving at the request of the Foundation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the Foundation to the maximum extent authorized under the laws of the State of Indiana.