

**BYLAWS**

**OF**

**the American Contract Bridge League Educational  
Foundation**

**ARTICLE I. Name and Address**

The name of this corporation shall be the American Contract Bridge League Educational Foundation. The Foundation shall have and continuously maintain in the State a registered office and a registered agent whose office is identical with such registered office, and may have other offices within or without the State of Tennessee as the Board of Trustees, with ratification by the voting members, may from time to time determine.

**ARTICLE II. Objectives**

This Foundation is organized exclusively for charitable and educational purposes within the meaning of Section 501 (c) (3) of the Internal Revenue Code of 1986. Within this general limitation, the specific purposes for which the Foundation is organized and operated are:

- Increase the number of bridge players.
- Engage in educational activities for the purpose of instructing the public as to the fundamentals, study, and play of contract bridge.
- Increase the pleasure of playing bridge.

No Personal Inurement. No part of the earnings or assets of the Foundation shall inure to the benefit of, be distributed to or among, or revert to any Trustee, officer, member, contributor or other private individual having, directly or indirectly, any personal or private interest in the activities of the Foundation, except that the Foundation may pay reasonable compensation for services rendered and may make payment and distributions in furtherance of the non-profit purposes stated in the Charter. The Foundation shall not engage in any transaction or do or permit any act or omission which shall operate to deprive it of its tax-exempt status under section 501 (c) (3) of the code.

**ARTICLE III. Membership**

Trustees of the Foundation shall constitute the membership of the corporation.

**ARTICLE IV. Board of Trustees**

A. Composition of the Board of Trustees. The number of trustees shall be at least 9 and no more than 24.

B. Election. Candidates for membership shall be selected from among those nominated by the Nominating Committee, which shall consist of three persons not presently serving as a trustee who are appointed by the President. A majority of members present may also nominate candidates for positions on the board of trustees. New trustees shall be elected by a majority vote of those members present.

C. Terms/Term Limits. A trustee term of office shall be three years. No trustee shall be eligible to serve more than 4 consecutive terms. After a year off, a trustee may be permitted to return. Terms may be staggered so that 33% of the board is up for reelection each year.

D. Removal. A trustee who has missed three or more consecutive meetings may be removed by a majority vote of the board members then sitting. A trustee may be removed for any reason by a vote of two-thirds of the members then sitting.

E. Vacancies. Vacancies may be filled at any time by a majority vote of trustees then sitting.

F. General Powers. The board of trustees shall constitute the governing body of the corporation. The board shall manage the business and affairs of the corporation. It shall have all powers necessary to carry out the objectives of the corporation as set forth in Article 2. The board may accept, on behalf of the corporation, any contribution, bequest, or devise. The board shall have the authority to hire and dismiss the executive director as necessary in order to carry out the objectives of the corporation.

G. Meetings. Meetings of the board of trustees shall be held at least 3 times each year, at a reasonable time and place designated by the president. The president may designate additional in-person or remote meeting dates. One-third of the board members then sitting may, by written request, schedule additional meetings.

H. Annual Meeting. A meeting during the fourth quarter of the year shall be designated as the "Annual Meeting," at which new members are elected and other formal annual business conducted.

I. Notice of Meetings. Trustees shall receive ten days' notice of regularly scheduled meetings. This notice may be given in writing, in person, by telephone, or by any other reasonable method.

J. Waiver of Notice of Meeting. A trustee may, in writing, waive notice of any meeting of the board of trustees either before or after the meeting, and such waiver shall be deemed the equivalent of giving notice. Attendance of a trustee at a meeting shall constitute waiver of notice of that meeting, unless attendance is for the express purpose of objecting to the transaction of business because the meeting has not been lawfully called or

convened.

K. Adjournment. A meeting of the board of trustees may be adjourned. Notice of the adjourned meeting or of the business to be transacted there, other than by announcement when the adjournment is taken, shall not be necessary. At an adjourned meeting at which a quorum is present, any business may be transacted which could have been transacted at the meeting originally called.

L. Informal Action. If the requisite number of trustees severally or collectively consent in writing to any action taken or to be taken by the corporation, the action shall be as valid as though it had been authorized at a meeting of the board which all trustees then in office were present.

M. Remote Attendance. If a member or members is not reasonably able to attend a meeting, a meeting may be held remotely or such members may participate remotely by any means, electronic, telephonic, or otherwise, so long as each absent or participating member can hear, or be advised of the discussion of business, and all other members can hear, or be advised of each of the other member's votes or comments. A member participating remotely may count toward a quorum.

N. Resignations. Any trustee may resign at any time by giving notice of resignation to any officer of the board.

O. Quorum. A quorum shall be 50% of the trustees then sitting.

P. Proxy Voting. There shall be no proxy voting. Upon a vote of two-third members then sitting, the board may allow proxy voting on a specific resolution, provided that a copy of the resolution shall be distributed to members at least 30 days prior to the meeting at which proxy voting on the resolution is proposed.

Q. Committees. The board of trustees may appoint any committee it deems necessary to help fulfill its functions.

R. Compensation of Board Members. No member of the board of trustees shall receive any salary or compensation for their services as trustee. No member shall receive any service or benefit not provided to the general public. Members may receive reimbursement for out-of-pocket expenses incurred while conducting authorized business on behalf of the corporation. Members shall be entitled to receive reasonable fees for goods or services rendered to the corporation in capacities other than as members of the board.

## **ARTICLE V. Officers**

A. Officers. The corporation shall have a president and a secretary and may also have one or more vice-presidents and a treasurer. Any person may hold two or more offices except that the president shall not also be vice-president or secretary.

B. Duties of Officers.

1. If the president is also a trustee, then the president shall preside as chairman of the board at all meetings of the board and executive committee. The president shall appoint members to standing and ad hoc committees. The president shall perform whatever duties the board of trustees may from time to time assign.

2. The vice-president shall carry out the duties of the president when the president is absent or incapacitated; shall have the same power and duties as the president when acting in that capacity; and shall perform whatever duties the board may from time to time assign.

3. The secretary shall have charge of such books, documents and papers as the board of trustees may determine; shall keep, or cause to be kept, a true and complete record of the meetings of the board of trustees; shall give, or cause to be given, notice of all meetings of the trustees; shall keep, or cause to be kept, a record containing the names, alphabetically arranged, of all persons who are members of the corporation, showing their places of residence, the names of persons entitled to participate in corporate affairs. Such books shall be open for inspection as provided by law. The secretary shall, in general, perform all the duties incident to the office of secretary subject to the control of the board of trustees and shall perform other duties as may be prescribed by the board of trustees.

4. The treasurer shall have custody of all corporate funds, property and securities subject to such regulations as may be imposed by the board of trustees. The treasurer shall keep, or cause to be kept, full and accurate accounts of receipts and disbursements and shall deposit, or cause to be deposited all corporate funds and other valuable effects in the name of and to the credit of the corporation in a depository or depositories designated by the board of trustees. Corporate funds may be deposited only in banks or institutions which are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation. The treasurer shall give to the president or board, whenever they require it, an account of transactions as treasurer and of the financial condition of the corporation and shall, in general, perform all duties incident to the office of treasurer, subject to the control of the board of trustees.

C. Executive Committee. The Executive Committee shall be composed of the officers of the board of trustees and other members as a majority of the board shall designate. They shall meet as needed to plan for the board's work and to fulfill tasks assigned to them by the

board.

D. Election and Terms. The trustees shall elect the officers. The term of office shall be for three years or until the member's term as trustees expires.

#### **ARTICLE VI. Staff**

A. The Board of Trustees would hire an Executive Director and other necessary staff to oversee the fundraising efforts and day-to-day operations of the Foundation. The executive director is responsible for administering the program of the corporation. The executive director is accountable to the board of trustees and shall work closely with the board to fulfill its objectives. The executive director, as authorized by the board's fiscal policy, shall sign or delegate authority to sign checks and enter into agreements with the approval of the board of trustees, which are necessary to carry out the objectives of the corporation. The executive director may hire other staff members as the board of trustees authorizes. The executive director shall be an ex-officio member of the board. The executive director shall not be entitled to vote but shall be entitled to notice of and attendance at meetings, except those portions of a meeting at which matters directly relating to the executive director are discussed.

B. Other Staff. All other staff shall be supervised by and accountable to the executive director.

C. Hiring policies. Hiring shall be conducted in full compliance with the corporation's anti-discrimination policy. The corporation shall hire no employees who are members of the immediate family (spouse, grandparent, parent, brother or sister, son or daughter) of any board member, or of any person who will supervise the employee.

#### **ARTICLE VII. Finances**

A. Fiscal year. The board shall establish the corporation's fiscal year.

B. Budget. The board of trustees shall prepare and adopt a budget at its first meeting each year.

C. Annual Financial Statement. The corporation shall prepare an annual financial statement for distribution to board members.

D. Fiscal Policy. The board shall adopt and from time to time review a fiscal policy setting out a formal procedure that shall govern internal controls, the signing of checks; the obligation of funds; approval of contracts, leases, deeds and mortgages; and other significant aspects of the organization's fiscal operation. The fiscal policy shall assure that the

corporation shall have sound financial controls that are appropriate, under generally accepted accounting principles, to its size and purpose.

E. Seal. The corporation will not use a common seal. The signature of the name of the corporation by an authorized person shall be legal and binding.

#### **ARTICLE VIII. Conflict of Interest**

A. Purpose. The purpose of this Article is to protect the corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or trustee of the corporation. This policy is intended to supplement but not replace any applicable state or federal laws governing conflicts of interest applicable to nonprofit corporations.

B. Definitions.

(i) "Interested Person" means any trustee, principal officer or member of a committee with board delegated powers who has a direct or indirect Financial Interest, as defined below.

(ii) "Financial Interest" refers to a person who has, directly or indirectly, through business, investment or family:

(a) an ownership or investment interest in any entity with which the Corporation has a transaction or arrangement, or

(b) a compensation arrangement with the corporation or with any entity or individual with which the corporation has a transaction or arrangement, or

(c) a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the corporation is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are substantial in nature. A Financial Interest is not necessarily a conflict of interest. Under Paragraph D, a person who has a Financial Interest may have a conflict of interest only if the board of trustees or its designated committee to consider such matters decides that a conflict of interest exists.

C. Duty To Disclose. In connection with any actual or possible conflicts of interest, an Interested Person must disclose the existence of his or her Financial Interest and all material facts to the board of trustees.

D. Determining Whether a Conflict of Interest Exists. After disclosure of the Financial Interest and all material facts, and after any discussion with the Interested Person, the Interested Person shall leave the meeting of the board of trustees while the determination of a conflict of interest is discussed and voted upon. The remaining members of the board of trustees shall decide if a conflict of interest exists.

E. Procedures for Addressing the Conflict of Interest.

(i) An Interested Person may make a presentation at the board of trustees meeting, but after such presentation, he or she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement that results in the conflict of interest.

(ii) The Chairman of the Board shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

(iii) After exercising due diligence, the board of trustees shall determine whether the corporation can obtain a more advantageous transaction or arrangement with reasonable efforts from a person or entity that would not give rise to a conflict of interest.

(iv) If a more advantageous transaction or arrangement is not reasonably attainable under circumstances that would not give rise to a conflict of interest, the board of trustees shall determine by a majority vote of the disinterested trustees whether the transaction or arrangement is in the corporation's best interest and for its own benefit and whether the transaction is fair and reasonable to the corporation and shall make its decision as to whether to enter into the transaction or arrangement in conformity with such determination.

F. Violations of the Conflicts of Interest Policy.

(i) If any trustee or committee member has reasonable cause to believe that an Interested Person has failed to disclose actual or possible conflicts of interest, it shall inform the Interested Person of the basis for such belief and afford the Interested Person an opportunity to explain the alleged failure to disclose.

(ii) If, after hearing the response of such Interested Person and making such further investigation as may be warranted in the circumstances, the board of

trustees determines that the Interested Person has in fact failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

G. Records of Proceedings. The minutes of the board of trustees shall contain the following:

(i) the names of the persons who disclosed or otherwise were found to have a Financial Interest in connection with an actual or possible conflict of interest, the nature of the Financial Interest, any action taken to determine whether a conflict of interest was present, and the board of trustees decision as to whether a conflict of interest in fact existed.

(ii) the names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection therewith.

H. Compensation Committees. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the corporation for services is precluded from voting on matters pertaining to that member's compensation.

I. Statements. Each trustee, principal officer and member of a committee with board delegated powers shall sign a statement which affirms that such person:

(i) has received a copy of the conflicts of interest policy,

(ii) has read and understands the policy,

(iii) has agreed to comply with the policy, and

(iv) understands that the corporation is a charitable organization and that in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

J. Periodic Reviews. To ensure that the corporation operates in a manner consistent with its charitable purposes and that it does not engage in activities that could jeopardize its status as an organization exempt from federal income tax, periodic reviews shall be conducted at the direction of the board of trustees.

K. Use of Outside Experts. In conducting the periodic reviews provided for in Paragraph J, the corporation may, but need not, use outside advisors. If outside experts are used their use shall



not relieve the board of trustees of its responsibility for ensuring that periodic reviews are conducted.

## **ARTICLE IX. Indemnification of Trustees and Officers**

A. Indemnification. The corporation shall indemnify each trustee and each officer who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that he is or was a trustee or officer of the corporation, or is or was serving at the request of the corporation as a trustee, director or officer of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed, in the case of conduct in his official capacity with the corporation, that his conduct was in the corporation's best interest; in all other cases that his conduct was at least not opposed to the corporation's best interest; and in the case of a criminal proceeding, had no reasonable cause to believe that his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

B. Indemnification in Actions by the Corporation. The corporation shall indemnify each trustee and each officer who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he is or was a trustee or officer of the corporation, or is or was serving at the request of the corporation as a trustee or officer of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such trustee or officer shall be adjudged to be liable to the corporation unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite that adjudication of liability but in view of all the circumstances of the case, such trustee or officer is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

C. Success on Merits or Otherwise. To the extent that a person who is or was a trustee, officer, employee or agent of the corporation, or of any other corporation, partnership, joint venture, trust or other enterprise with which he is or was serving in such capacity at the request of

the corporation, has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Paragraphs A and B of this Article, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

D. Applicable Standard. Any indemnification under Paragraphs A and B of this Article (unless ordered by a court) shall be made by the corporation only as authorized in the specific case upon a determination that indemnification of the trustee or officer is proper in the circumstances because he has met the applicable standard of conduct set forth in Paragraphs A and B. Such determination shall be made (a) by the board of trustees by a majority vote of a quorum consisting of trustees who were not parties to such action, suit or proceeding, or (b) if such a quorum is not obtainable, or, even if obtainable but a quorum of disinterested trustees so directs, by independent legal counsel in a written opinion.

E. Non-exclusivity of Article. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which a trustee or officer seeking indemnification may be entitled under any statute, provision in the corporation's Charter, Bylaws, agreement, vote of members or disinterested trustees or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a trustee or officer and shall inure to the benefit of the heirs, executors and administrators of such a person.

F. Insurance. The corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a trustee, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a trustee, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the corporation would have the power to indemnify him against such liability under the provisions of this Article.

G. Definition. For purposes of this Article, references to "the corporation" shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its trustees, officers and employees or agents, so that any person who is or was a trustee, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a trustee, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this Article with respect to the resulting or surviving corporation as he would have with respect to such constituent corporation if its separate existence had continued.

H. Intent: Severability. The intent of this Article IX is to permit indemnification of trustees and

officers of the corporation to the fullest extent permitted by the Tennessee Nonprofit Corporation Act. If the Tennessee Nonprofit Corporation Act is amended or other Tennessee law is enacted to permit further elimination or limitation of the personal liability of trustees and officers, then the liability of trustees and officers of the corporation shall be eliminated or limited to the fullest extent permitted by the Tennessee Nonprofit Corporation Act, as so amended, or by such other Tennessee law, as so enacted. The invalidity or unenforceability of any provision in this Article shall not affect the validity or enforceability of the remaining provisions of this Article.

#### **ARTICLE X. Parliamentary Procedures**

Robert's Rules of Order shall be the parliamentary authority for all matters of procedure not specifically covered by these bylaws.

#### **ARTICLE XI. Amendments of the Charter and Bylaws**

The charter and these bylaws may be amended, supplemented, or repealed by a two-thirds vote of the trustees present at any meeting at which a quorum is present. Before trustees may vote on an amendment to the charter or bylaws, notice must be given to trustees of the proposed amendment at a prior meeting of the board, and in no case less than 30 days before the amendment is to be considered. These bylaws shall become effective upon approval by the board of trustees by a majority vote at a regularly scheduled board meeting.

#### **ARTICLE XII. Statement of Nondiscrimination**

The corporation shall not discriminate against any person in the hiring of personnel, election of board members, provision of service to the public, the contracting for or purchasing of services or in any other way, on the basis of race, color, sex, national origin, disabling condition, age, or any other basis prohibited by law. This policy against discrimination includes, but is not limited to, a commitment to full compliance with Title VI of the Civil Rights Act of 1964; Section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975, and any subsequent amendments to these statutes.

#### **ARTICLE XIII. Dissolution**

The dissolution of the Corporation shall be governed by the Charter of the Corporation.

APPROVED BY THE BOARD OF TRUSTEES ON  
November\_19\_, 2016\_

\_\_Jane Champion\_\_  
SECRETARY OF THE BOARD OF TRUSTEES

