



FSC-PS CF

www.fsc-ps.org

**Financial Services Coalition – Puget Sound (FSC-PS)
CHARITABLE FOUNDATION BYLAWS**

**Adopted January 31, 2008
Revised July 7, 2008**



**Financial Services Coalition – Puget Sound (FSC-PS)
Charitable Foundation**

BY-LAWS

REVISED July 7, 2008

ARTICLE 1 - NAME

The name of this Corporation shall be the FSC-PS Charitable Foundation (FSC-PS CF), hereinafter referred to as the Corporation.

ARTICLE II - OFFICES

Section 1. PRINCIPAL OFFICE. The principal office for the transaction of the business of the Corporation shall be located in the County of King, Washington.

The Board of Directors (Board) shall be granted full power and authority to change said principal office from one location to another in said County by a duly adopted resolution of the Board.

Section 2. OTHER OFFICES. Branch or subordinate offices may at any time be established by the Board at any place or places where the Corporation is qualified to do business.

ARTICLE III – PURPOSE AND OBJECTIVES

Said organization is organized exclusively for charitable, religious, educational, and scientific 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, or corresponding section of any future federal tax code.

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 organization 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 this document, the

organization shall not carry on any other activities not permitted to be carried on (a) by an organization exempt from federal income tax under section 501 (c) 3 of the Internal Revenue Code, or corresponding section of any future federal tax code, or (b) by an organization, contributions to which are tax deductible under section 170 (c) (2) of the Internal Revenue Code, or corresponding section of any future federal tax code.

The objectives of this Corporation shall be, to engage in any lawful act or activity such as any corporation organized under the Section 501 (c) (3) of the Internal Revenue Code. Specifically, the objectives of this Corporation shall be:

- o To promote economic development and provide technical, educational, and advisory assistance to economically disadvantaged communities.
- o To provide scholarships to college bound students from economically disadvantaged communities who have expressed an interest in the financial services industry.
- o To help educate and inform youth about the employment opportunities available in the financial services industry.

ARTICLE IV. BOARD OF DIRECTORS

Section 1. **POWERS.** The BOARD shall manage the affairs of the Corporation. The BOARD shall consist of the President, Vice President, Treasurer, Secretary, and three outside Directors (none BOARD members).

Any action that would require a vote, or a change in By-law, must be Brought before a quorum of the Corporation's Board and be approved by a majority of the quorum.

Section 2. **NUMBER OF DIRECTORS.** The number of Directors shall be an odd number not less than five (5) nor more than seven (7) until changed by amendments of the articles of incorporation or by a by-law duly adopted by **fifty-one percent** of the *Corporation's Board*.

Section 3. **ELECTION.** The BOARD shall be elected annually by the FSC-PS CF BOARD at a meeting held a month after the FSC-PS CF BOARD is installed.

- (a) **Eligibility.** Each candidate for the BOARD of the Corporation must be a member, in "good standing", for at least one (1) year prior to the election.

(b) **Qualifications for Officers are as follows:**

- 1) Must be a corporate officer of their respective institution;
- 2) Must have the commitment and financial support of their institution.

Section 4. **APPOINTMENTS**

1. The new BOARD shall elect the President who will then appoint the officers.
2. Three of the candidates for the BOARD of the Corporation shall include *UFSC-PS* Treasurer, Program, and Scholarship and Mentoring Chairpersons.
3. Cross BOARD members shall serve a term of one year, unless they are also selected President. The President and other BOARD members will serve two years.

Section 5. **VACANCIES.** Vacancies among the Directors resulting from death, resignation, removal, incapacity, or disqualification of any such Director, shall be filled by the President and ratified by the BOARD. Such member of the Corporation chosen to fill a vacancy shall serve for the unexpired term of the predecessor and until the successor is elected.

Section 6. **REMOVAL AND RESIGNATION.** Any Director elected by the membership, or appointed by the President and ratified by the BOARD, can be removed by the affirmative vote of **two-thirds** of the Directors for the following reasons:

- 1) Absence from three (3) consecutive BOARD meetings without prior notification to the BOARD or their supervising Officer;
- 2) Consistent failure to carry out assigned duties and to communicate such inability prior to the established deadline of the assigned duty to the respective supervising officer; and
- 3) Exceeding Director's authority to the detriment of the organization.

Resignation. Any Director may submit a letter of resignation to the BOARD indicating this decision. The President can appoint a replacement to be ratified by the BOARD.

Section 7. **PLACE OF MEETING.** Regular meetings of the BOARD shall be held at any place within the State, which has been designated from time to time by resolution of the BOARD, or regular meetings shall be held at the principal office of the Corporation as designated. **Special Meetings** of the BOARD may be held either at a place so designated or at the principal office.

Any meeting may be held by conference telephone or similar communication equipment, so long as all Directors participate in the meeting can hear one another, and all such Directors shall be deemed to be present in person at such meeting. A phone log must be prepared and thereafter ratified at the next scheduled BOARD meeting.

Section 8. **QUORUM.** A **fifty one percent (51%)** of the Directors, which includes officers of this Corporation, (elected and appointed), shall constitute a quorum for the transaction of business.

Section 9. **FEES AND COMPENSATION.** Directors and members of committees may receive such compensation, if any for their service and reimbursement for expenses, as may be fixed or determined by the written resolution of the Board.

Section 10. **TERM OF OFFICE.** Each cross BOARD Director shall serve a term of not less than one (1) year, unless the Director is the President. All other Directors will serve a two-year term.

ARTICLE V. OFFICERS

Section 1. **OFFICERS.** The Officers of the Corporation shall be the President, Vice President, Treasurer, and Secretary.

Section 2. **VACANCIES.** Vacancies among officers shall be treated the same as vacancies among Directors stated in **Article IV - Section 5.**

Section 3. **REMOVAL AND RESIGNATION.** Any Officer appointed by the President can be removed by the affirmative vote of **two-thirds** of the Directors at any BOARD meeting for the same reasons stated in **ARTICLE IV - SECTION 6.**

Resignation. Any officer may submit a letter of resignation to the BOARD indicating his/her decision. The President shall appoint a replacement to be ratified by **two-thirds** of the BOARD.

Section 4. **PRESIDENT.** The President shall be the Chief Executive Officer of the Corporation. The President or his designee shall preside at all meetings and shall have such other powers and perform such duties as

may be prescribed by the BOARD and By-laws. The President's term shall be no more than two (2) consecutive years.

*Section 5. **VICE PRESIDENT.** The Vice President shall perform duties as assigned by the BOARD. These positions are open to re-election annually. This individual shall also sign on all Corporate bank accounts.*

Section 6. **SECRETARY.** The Secretary shall keep the respective minutes and records of all BOARD meetings, and special meetings. The Secretary shall also keep all documents papers, up to date roster, mailing list, and reports of the Corporation and shall have such other powers and perform such other duties as may be prescribed by the BOARD as stated in the definition section. The Secretary shall operate under the direct supervision of the President and be a signatory on all Corporate bank accounts. This office is open to re-election annually.

Section 7. **TREASURER.** The Treasurer shall have the following responsibilities:

- 1) Be responsible for all fiscal affairs of the Corporation. The Treasurer shall be a designated signatory of all bank accounts held in the name of the Corporation;
- 2) Be responsible for the preparation of the fiscal year report and the filing of taxes of the Corporation;
- 3) Provide a Statement of Financial Condition at each BOARD meeting;
- 4) Pay all expenses as approved by the BOARD; and
5. Maintain accurate records of all the Corporation's business transactions.

This position shall be open to re-election annually.

Section 11. **ARBITRATOR.** The President shall:

- 1) Be the arbitrator of all BOARD meetings, and
- 2) Cast the deciding vote on any issues at all BOARD meetings.

This position shall be open to re-election bi-annually.

ARTICLE VI. OTHER PROVISIONS

Section 1. **INSPECTION OF CORPORATE RECORDS.** The articles of incorporation and by-laws of the Corporation, as amended, and all records maintained by the Corporation and shall be open to inspection upon written demand at any reasonable time.

Section 2. **CHECKS, DRAFTS, ORDERS FOR PAYMENT.** All checks drafts or other orders for payment of money, notes or other evidences of indebtedness, issued in the name of or payable to the Corporation shall be signed or endorsed by such person or persons and in such manner as from time to time shall be determined by resolution of the Board.

Section 3. **ANNUAL REPORTS.** *The annual report shall be made in the following manner:*

(a) *Not later than 60 days after the close of the Corporation's fiscal year, the Board shall review and certify report. Such Report shall contain the following information in reasonable detail:*

- (1) The assets and liabilities, including the trust funds of the Corporation as of the end of the fiscal year.
- (2) The revenue or receipts of the Corporation, for both general and restricted purposes during the fiscal year.

(b) The Report required by this Section shall be accompanied by any report therein of independent accountants, or if there is no such report, by the certification of the Treasurer that such statements were prepared without audit from the books and records of the Corporation.

Section 4. **FISCAL YEAR.** The fiscal year of the Corporation shall be from January 1, through December 31, of each year.

ARTICLE VII. AMENDMENTS

Section 1. **AMENDMENTS.** *New By-laws may be adopted, or amended, or repealed must be brought before a quorum of at least 51 percent of the Board and be approved by a majority of the quorum.*

ARTICLE VIII.

INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES, AND OTHER AGENTS

Section 1. **DEFINITIONS.** For the purpose of this Article:

- (a) "agent" means any person who is or was a director, officer, employee, or other agent of this Corporation, or is or was serving at the request of this Corporation as a director, officer, employee, or other agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, or was a director, officer, employee, or other agent of a predecessor corporation of this Corporation or of another enterprise at the request of the predecessor corporation;
- (b) "proceeding" means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and
- (c) "expenses" includes, without limitation, all attorneys' fees, costs, and any other expenses incurred in the defense of any claims, or proceedings against an agent by reason of his position or relationship as agent, and all attorneys' fees, costs, and other expenses incurred in establishing a right to indemnification under this Article.
- (d) "his/him" reference to the masculine gender in this By-law shall be for grammatical purposes only, and shall not preclude any woman from holding office.

Section 2. **SUCCESSFUL DEFENSE BY AGENT.** To the extent that an agent of this Corporation has been successful on the merits in the defense of any claim, issue, or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection with the claim.

If an agent either settles any such claim or sustains a judgement rendered against him, then the provision of Sections 3 through 5 shall determine whether the agent is entitled to indemnification.

Section 3. **ACTIONS BROUGHT BY PERSONS OTHER THAN THE CORPORATION.** Subject to the required funding to be made pursuant to Section 5, below, this Corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any proceeding other

than an action brought by, or on behalf of, this Corporation, or by the Attorney General on the grounds that the defendant director was, or is engaging in self-dealing within the meaning of Washington Corporations or by the Attorney General or a person granted related status by the Attorney General for any breach of duty relating to assets held in charitable trusts by reason of the fact that person is or was an agent of this Corporation, for all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with the proceeding.

Section 4. **ACTION BROUGHT BY OR ON BEHALF OF THE CORPORATION.**

- (a) Claims settled out of court. If any agent settles or otherwise disposes of a threatened or pending action brought by or on behalf of this Corporation, with or without court approval, the agent shall receive no indemnification for either amounts paid pursuant to the terms of the settlement or other disposition or for any expense incurred in defending against the proceeding, unless it is settled with the approval of the Attorney General.

- (b) Claims and suits awarded against agent. This Corporation shall indemnify any person who is or was a party, or is threatened to be made a party to any threatened to be made a party to any threatened, pending, or completed action brought by or on behalf of this Corporation by reason of the fact that the person is or was an agent of this Corporation, for all expenses actually and reasonably incurred in connection with the defense of that action, provided that both of the following are met:
 - (i) The determination of good faith conduct required by Section 5, below, must be made in the manner provided for in that section; and
 - (ii) Upon application, the court in which the action was brought must determine that, in view of all of the circumstances of the case, the agent should be entitled to indemnity for the expenses incurred.

If the agent is found to be so entitled, the court shall determine the appropriate amount of expenses to be reimbursed.

Section 5. **DETERMINATION OF AGENT'S GOOD FAITH CONDUCT.**

The indemnification granted to an agent in Sections 3 and 4 above is condition on the following:

(a) Required standard of conduct. The agent seeking reimbursement must be found, in the manner provided below, to have acted in good faith, in a manner he believed to be in the best interest of the Corporation, and with such care, including reasonable inquiry, as an ordinary prudent person in a like position would use in similar circumstances.

The termination of any proceeding by judgment, order settlement, conviction, or on a plea of nolo contendere, or its equivalent shall not, of itself, create a presumption that the person did not act in good faith or in a manner which he reasonably believed to be in the best interest of this Corporation or that he had reasonable cause to believe that his conduct was unlawful.

In the case of a criminal proceeding, the person must have had no reasonable cause to believe that his conduct was unlawful.

- (b) Manner of determination of good faith conduct. The determination that the agent did act in a manner complying with Paragraph (a) above shall be made by:
- (i) the Board by a majority vote of a quorum consisting of directors who are not parties to the proceeding; or
 - (ii) the affirmative vote (or written ballot in accordance with Article V, Section 9) of a majority of the votes represented and voting at a duly held meeting of members at which a quorum is present (which affirmative votes also constitute a majority of the required quorum), or
 - (iii) the court in which the proceeding is or was pending. Such determination may be made on application brought by this Corporation or the agent, whether or not the application by the agent, attorney, or other persons is opposed by this Corporation.

Section 6. **LIMITATIONS.** No indemnification or advance shall be made under this Article, except as provided in Sections 2 or 5 (iii), in any circumstance when it appears:

- (a) That the indemnification or advance would be inconsistent with a provision of the Articles, a resolution of the members, or an agreement at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or
- (b) That the indemnification would be inconsistent with any condition expressly imposed by a court in approving a settlement.

Section 7. **ADVANCE OF EXPENSES.** Expenses incurred in defending any proceeding may be advanced by this Corporation before the final disposition of the proceeding on receipt of an undertaking by, or on behalf of the agent to repay the amount of the advance , unless it is determined ultimately that the agent is entitled to be indemnified as authorized in this Article.

Section 8. **CONTRACTUAL RIGHTS OF NON-DIRECTORS AND NON-OFFICERS.** Nothing contained in this Article shall affect any right to indemnification to which persons other than directors and officers of this Corporation or any subsidiary hereof, may be entitled by contract or otherwise.

Section 9. **INSURANCE.** The Board may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the Corporation against any liability other than for violating provisions against self-dealing asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not this Corporation would have the power to indemnify the agent against that liability under the provisions of this section.

ARTICLE IX. DISSOLUTION OF CORPORATION

Upon dissolution or the organization, assets shall be distributed for one or more exempt purposes within the meaning of section 501 (c) 3 of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not disposed of shall be disposed of by the Court of Common Pleas of the county in which the principal office of the organization is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.