

AMENDED AND RESTATED BYLAWS  
OF  
ROTARY CLUB OF FRANKLIN AT BREAKFAST CHARITIES, INC.

These Bylaws Are Amended and Restated and are the official Bylaws of the organization as of  
19<sup>th</sup> day of April, 2019.

**ARTICLE I: OFFICES**

**Section 1.1** The principal office of Rotary Club of Franklin at Breakfast Charities, Inc. ("the Corporation") shall be located in Franklin, Williamson County, Tennessee. The Corporation may have such other offices, either within or without the State of Tennessee, as the Board of Directors may designate or as the business of the Corporation may require from time to time.

**Section 1.2** The registered office of the Corporation required to be maintained in the State of Tennessee by the Tennessee Nonprofit Corporation Act (the "Act") may, but need not, be identical with the principal office in the State of Tennessee; and the address of the registered office may be changed from time to time by the Board of Directors.

**ARTICLE II: PURPOSE, MISSION, GOALS AND USE OF FUNDS**

**Section 2.1 Purpose.** The purposes of the Corporation are those set forth in its charter of incorporation, as from time to time amended or restated (the "Charter"). Namely, the Corporation operates exclusively for religious, charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, and the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) or corresponding section of any future federal tax code, and generally to engage in any other lawful endeavors in furtherance of the foregoing purpose.

Specifically, the Corporation is organized to assist indigent individuals and organizations assisting those individuals, including but not limited, to providing safe drinking water, clothing, medicines and medical care and to otherwise provide for the betterment of the community and to extend the object of Rotary International and to maintain the relations of a member club in Rotary International.

The Corporation is further organized to encourage persons and corporations to provide financial support for the Corporation's programs; to receive, accept, retain, administer, distribute property, whether real, personal or mixed, and whether received by gift or bequest from any person or entity, for the benefit of its programs; and to make distributions to other 501(c)(3) organizations and indigent individuals.

**Section 2.2 Use of Funds.** The Corporation is not formed for financial or pecuniary gain; and no part of the assets, income, or profits of the Corporation is distributable to, or inures to the benefit of its Directors or officers or any other private person, except as provided in Section 4.12 as reimbursement for expenses rendered to the Corporation, and except to make payments and distributions in furtherance of the purposes of the Corporation, as set forth in the Charter and

Sections 2.1, no substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation; and no part of the activities of the Corporation shall be the participation in, or intervention in (including the publishing or distributing of statements), any political campaign on behalf of (or in opposition to) any candidate for public office.

a. Each Standing Committee of the Franklin Rotary at Breakfast shall submit a budget to the Board of Directors by April 1 each year with projects planned and funds needed for the fiscal year beginning July 1 for approval by the Board. Budget request will be approved based on projected availability of funds. Budget may be reviewed, and changes made, at any time by the Board based on unexpected shortages and overages from fundraising events.

b. A Franklin Rotary at Breakfast Foundation Fund will be created with a minimum of 10% of each year's funds raised from fundraising events, subject to availability, to be used for future special community projects that promote goodwill and brings recognition to Franklin Rotary at Breakfast's mission of "Service above Self."

### **ARTICLE III: MEMBERS**

**Section 3.1 Classes of Membership.** The Corporation shall have the following classes of membership:

- (a) *Regular Members.* Regular members shall be those members who have been invited to become members of the Corporation and paid the requisite fee required for membership. Regular Members shall be entitled to full rights and benefits of membership in the Corporation. Regular members shall be those persons who have a current place of business or residence within the Corporation locality or surrounding area and are persons of good character and community reputation.
- (b) *Honorary Members.* An honorary member shall be a member who has been granted membership by meritorious service or by meritorious service of his/her spouse.

**Section 3.2 Admission as Member.** In order to become a member of the Corporation, the Board of Directors shall first have issued an invitation to such member and such member shall submit a signed Membership Proposal Form or such other form as the Board of Directors or Rotary International may proscribe and pay the requisite fee as established, from time to time by the Board of Directors.

- (a) *Method of Electing Members.*
  - (1) The name of a prospective member, proposed by an active member of the Corporation, shall be submitted in writing to the Membership Committee, through the Corporation's Secretary or Membership Chair.
  - (2) The Membership Committee shall ensure that the proposal meets all the classification and membership requirements of the standard Rotary Club constitution.

- (3) The Membership Committee shall approve or disapprove the proposal within fifteen (15) days of the date the Membership Committee received the proposal.
- (4) The Membership Committee shall then forward the proposal and its vote on the proposal to the Board of Directors who shall approve or disapprove the proposal within thirty (30) days of the date the Board received the proposal.
- (5) If the Board of Directors approves the proposal, the Board of Directors shall submit the proposal to the membership for approval. The proposed member's name shall be read at each of the next 2 membership meetings. If no opposition is received from the membership, the prospective member shall be admitted to the Corporation as a member upon payment of the initial Membership fee.

**Section 3.3 Dues and Assessments.** Dues for membership and the date of payment thereof shall be determined by the Board of Directors. Statements covering dues assessments and other indebtedness owed by the members shall be due and payable when received.

**Section 3.4 Termination of Membership.** Membership in the Corporation shall continue during the existence of the Corporation unless terminated as follows:

- (a) *Resignation.* A member may surrender his or her membership at any time by submitting a letter of resignation to the Secretary. The resignation shall be effective when received unless a later effective date is given in the letter.
- (b) *Automatic Termination.* Membership shall be automatically terminated when a member no longer meets the qualifications of membership stated in Section 3.1(a), except that the Board of Directors may grant a member moving from the locality or surrounding area of the Corporation a special leave of absence not to exceed one (1) year to enable the member to visit and become known to a Rotary Club in the new community, if the member continues to meet all the conditions of membership or the board may allow a member moving from the locality or the surrounding area to retain his or her membership if the member continues to meet all conditions of membership.
- (c) *Non-Payment of Dues.* Any member failing to pay dues within thirty (30) days after the prescribed time shall be notified in writing by the Secretary at the member's last known address. If the dues are not paid on or before ten (10) days of the date of notice, the membership shall terminate, subject to the discretion of the Board of Directors.
- (d) *Nonparticipation.* Members are expected to participate a minimum of twice each month on average over each six (6) month period.
- (e) *Other Good Cause.* The board may terminate the membership of any member who ceases to have the qualifications for membership in this club or for any good cause by a vote of not less than two-thirds of the Board of Directors, at a meeting called for that purpose. The guiding principles for this meeting shall be Section 3.1(a) and The Four-Way Test.
- (f) *Notice and Appeal.* Prior to taking any action under subsection (e) of this section, the member shall be given at least ten (10) days' written notice of such pending action and an opportunity to submit a written answer to the board. The member shall have the right to appear before the board to state the member's case. Notice shall be by personal delivery or

by registered letter to the member's last known address. The decision of the Board of Directors shall be final.

**Section 3.5 Transfer of Membership.** A member of another Rotary Club, with the consent of the Board of Directors, may transfer his or her membership from another Rotary Club by that Club proposing that person to the Corporation. A member may not transfer his membership directly to another person.

**Section 3.6 Annual Meeting of Members.** An annual meeting of the members of the Corporation shall be held on such date and at such place as may be determined by the Board of Directors. The business to be transacted at such meeting shall be the report of the president on the activities and financial condition of the Corporation, the election of directors, other matters specified in the notice of the meeting and such other business as shall be properly brought before the meeting.

**Section 3.7 Special Meetings.** A special meeting of members shall be held on call of the Board of Directors, the president or if the holders of at least ten percent (10%) of all the votes entitled to be cast on any issue proposed to be considered at the proposed special meeting sign, date and deliver to the Corporation's Secretary one (1) or more written demands for the meeting describing the purpose or purposes for which such special meeting is to be held. Only business within the purpose or purposes described in the meeting notice may be conducted at a special shareholders' meeting.

**Section 3.8 Place of Meetings.** The Board of Directors may designate any place, either within or without the State of Tennessee, as the place of meeting for any annual meeting or for any special meeting. If no place is fixed by the Board of Directors, the meeting shall be held at the principal office of the Corporation.

**Section 3.9 Notice of Meetings; Waiver.**

- (a) *Notice.* Notice of the date, time and place of each annual and special meeting of members and, in the case of a special meeting, a description of the purpose or purposes for which the meeting is called, shall be given no fewer than ten (10) days nor more than two (2) months before the date of the meeting. Such notice shall comply with the requirements of Article XI of these Bylaws.
- (b) *Waiver.* A member may waive any notice required by law, the Charter or these Bylaws before or after the date and time stated in such notice. Except as provided in the next sentence, the waiver must be in writing, signed by the member entitled to the notice, and delivered to the Corporation for inclusion in the minutes or filing with the corporate records. A member's attendance at a meeting: (1) waives objection to lack of notice or defective notice of the meeting, unless the member at the beginning of the meeting (or promptly upon arrival) objects to holding the meeting or transacting business at the meeting; and (2) waives objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the member objects to considering the matter when it is presented.

**Section 3.10 Record Date.** The Board of Directors shall fix as the record date for the determination of members entitled to notice of a members' meeting of members, to demand a special meeting, to

vote or to take any other action, a date not more than seventy (70) days before the meeting or action requiring a determination of members. If the Board of Directors fails to fix a record date for any meeting of members, members of record on the close of business on the business day next preceding the day on which notice is given shall be entitled to notice and members of record on the date of the meeting who are otherwise eligible to vote shall be entitled to vote. A record date fixed for a members' meeting is effective for any adjournment of such meeting unless the Board of Directors fixes a new record date, which it must do if the meeting is adjourned to a date more than four (4) months after the date fixed for the original meeting.

**Section 3.11 Members' List.** After the record date for a meeting has been fixed, the Corporation shall prepare an alphabetical list of the names of all members who are entitled to notice of a members' meeting. The list of members shall be available for inspection by any member, beginning two (2) business days after notice of the meeting is given for which the list was prepared and continuing through the meeting, at the Corporation's principal office or at a place identified in the meeting notice in the city where the meeting will be held. A member, his agent or attorney is entitled on written demand to inspect and, subject to the requirements of the Tennessee Business Corporation Act (the "Act"), to copy the list, during regular business hours and at his expense, during the period it is available for inspection. The Corporation shall make the list of members available at the meeting, and any member, his agent or attorney shall be entitled to inspect the list at any time during the meeting or any adjournment thereof.

**Section 3.12 Quorum; Adjournment.** Once a member is represented for any purpose at a meeting, the member is deemed present for quorum purposes for the remainder of the meeting and for any adjournment of that meeting unless a new record date is or must be set for that adjourned meeting.

**Section 3.13 Manner of Voting.** Unless otherwise provided by the Act or the Charter, each member is entitled to one vote on each matter voted on by members at a meeting of members. Unless otherwise provided in the Charter, directors are elected by a plurality of the votes cast by the members entitled to vote in the election at a meeting at which a quorum is present.

**Section 3.14 Acceptance of Member Documents.** If the name signed on a member document (a vote, consent, or waiver) corresponds to the name of a member, the Corporation, if acting in good faith, is entitled to accept such member document and give it effect as the act of the member. If the name signed on such member document does not correspond to the name of a member, the Corporation, if acting in good faith, is nevertheless entitled to accept such member document and to give it effect as the act of the member if:

- i. the name signed purports to be that of a fiduciary representing the member and, if the Corporation requests, evidence of fiduciary status acceptable to the Corporation has been presented with respect to such member document;
- ii. the name signed purports to be that of a receiver or director in bankruptcy of the member and, if the Corporation requests, evidence of this status acceptable to the Corporation has been presented with respect to the member document;

- iii. the name signed purports to be that of a pledgee, beneficial owner or attorney-in-fact of member and, if the Corporation requests, evidence acceptable to the Corporation of the signatory's authority to sign for the member has been presented with respect to such member document; or
- iv. two or more persons hold membership as cotenants or fiduciaries and the name signed purports to be the name of at least one of the co-owners and the person signing appears to be acting on behalf of all the co-owners.

The Corporation is entitled to reject a member document if the Secretary or other officer or agent authorized to tabulate votes, acting in good faith, has a reasonable basis for doubt about the validity of the signature on such member document or about the signatory's authority to sign for the member.

**Section 3.15 Action Without Meeting.** Action required or permitted by the Act to be taken at a meeting of members may be taken without a meeting. If all members entitled to vote on the action consent in writing to taking such action without a meeting, the affirmative vote of the number of votes of members that would be necessary to authorize or take such action at a meeting is the act of the members. The action must be evidenced by one or more written consents describing the action taken, at least one of which is signed by each member entitled to vote on the action in one or more counterparts, indicating such signing member's vote of abstention on the action and delivered to the Corporation for inclusion in the minutes or for filing with the corporate records.

**Section 3.16 Presiding Officer and Secretary.** Meetings of the members shall be presided over by the President or if the President is not present or if the Corporation shall not have a President, by the Secretary, or if neither the President nor the Secretary is present, by the Vice President. The Secretary or, in the Secretary's absence, an Assistant Secretary shall act as secretary of every meeting, but if neither the Secretary nor an Assistant Secretary is present, a majority of the members entitled to vote at such meeting shall choose any person present to act as secretary of the meeting.

## **ARTICLE IV: BOARD OF DIRECTORS**

**Section 4.1 General Powers.** The business and affairs of the Corporation shall be supervised by its Board of Directors, which shall exercise in the name of and on behalf of the Corporation all of the rights and privileges legally exercisable by the Corporation as a corporate entity, except as may otherwise be provided by law, the Charter, or these Bylaws. The Board of Directors, as the governing body of the Corporation, shall have the authority to receive, administer and distribute property on behalf of the Corporation in accordance with the provisions set forth in Article II of these Bylaws.

The Board of Directors shall consist of the President, Secretary, Treasurer, Vice President, the chair of the Charity Committee of Franklin Rotary at Breakfast and at least four (4) at large Directors. No Officer of the Corporation may concurrently serve as the chair of a committee or subcommittee of the Corporation. If a chair of a committee or subcommittee is so nominated as an Officer of the Corporation and does so in fact serve as an Officer, such chair shall surrender his or her role as chair of the committee or subcommittee as the case may be.

**Section 4.2 Number, Tenure, and Qualifications.** The number of Directors of the Corporation shall be not less than five (5) and not more than twenty-one. The number of Directors may be increased or decreased from time to time by the Board of Directors by amendment of this Bylaw, but no decrease shall have the effect of shortening the term of an incumbent director or reducing the number of Directors below five (5).

At its annual meeting or at any other appropriate time, the Board of Directors shall elect individuals to serve on the Board of Directors. The President of the Corporation shall serve as a member of the Board of Directors, ex-officio, but the term of the ex-officio Director shall be as provided in subparagraph 4.2(a).

The term of office of the directors shall be as follows:

- (a) An Officer's term as a director shall be coterminous with his or her service as an Officer of the Corporation.
- (b) The term of office of a director who is not an officer shall, unless re-appointed, conclude on the 2<sup>nd</sup> June 30th following his or her appointment.

Each director shall take office at the beginning of his or her term, and shall hold office until his or her term shall have expired or until his or her earlier resignation, removal from office, or death. Directors shall be natural persons who have attained the age of twenty-one (21) years, but need not be residents of the State of Tennessee.

**Section 4.3 Advisory Members.** The Board of Directors may elect advisory members from time to time, who shall sit on the Board but have no vote. Advisory members shall serve at the pleasure of the Board.

**Section 4.4 Personal Liability of Directors.** No person who is or was a director of the Corporation, nor such person's heirs, executors or administrators, shall be personally liable to the corporation for monetary damages for breach of fiduciary duty as a director; provided, however, that this provision shall not eliminate or limit the liability of any such person: (a) for any breach of a director's duty of loyalty to the Corporation, (b) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, or (c) under T.C.A. §48-58-304 of the Act, as amended from time to time. No repeal or modification of the provisions of this Section 4.4, either directly or by the adoption of a provision inconsistent with the provisions of this Section, shall adversely affect any right or protection, as set forth herein, existing in favor of a particular individual at the time of such repeal or modification.

**Section 4.5 Annual Meeting.** The annual meeting of the Board of Directors shall be held in November or at such other time and date following the close of the Corporation's fiscal year as shall be determined by the Board of Directors. The purpose of the annual meeting shall be to elect officers and transact such other business as may properly be brought before the meeting. If the election of officers shall not be held on the day herein designated for any annual meeting of the Board of Directors, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the Board as soon thereafter as may be convenient.

**Section 4.6 Special Meeting.** Special meetings of the Board of Directors may be called by the President, or at the request of any director with the agreement of two-thirds (2/3) of the Board. The Chair shall fix the place, which must be within Williamson County, Tennessee, as the place for holding any special meeting.

**Section 4.7 Notices.** Notice of each annual meeting shall be given at least two (2) weeks prior thereto, and notice of any special meeting shall be given at least five (5) business days prior thereto. The notices provided for in this Section shall be by electronic mail (email), telegram or written notice delivered personally or by facsimile, mail or sent by Federal Express or United Parcel Service to each director at his or her business or home address. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, so addressed, with postage thereon prepaid. If notice be given by electronic mail (email), telegram, facsimile, Federal Express or United Parcel Service, such notice shall be deemed to be delivered when said communication is delivered. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the sole and express purpose of objecting to the transaction of any business because the meeting was not lawfully called or convened. The business to be transacted at, or the purpose of, any special meeting of the Board of Directors must be specified in the notice of such meeting.

**Section 4.8 Quorum and Participation in a Meeting.** A majority of the total number of Directors in office shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. The members of the Board of Directors, or any committee designated by the Board, may participate in a meeting of the Board or of such committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear one another; and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting. Promptly after each respective meeting of the Board of Directors, each director shall be furnished a copy of the minutes of such meeting.

**Section 4.9 Manner of Acting at a Meeting.** Each director shall be entitled to one (1) vote upon any matter properly submitted for a vote to the Board of Directors. The act of a majority of the Directors present and who vote at a meeting at which a quorum is present shall be the act of the Board of Directors, except as may otherwise be specifically provided by law, by the Charter, or by these Bylaws. Members of the Board of Directors absent from any meeting shall not be permitted to vote at such meeting by written proxies.

**Section 4.10 Action Without a Meeting.** Electronic voting may be used in connection with both meetings of the Board and the solicitation of written consents as follows: (i) Meetings. For purposes of soliciting electronic votes in connection with a meeting of the Board at which a quorum was present, the requisite number of votes that would have been required at such meeting to pass an action shall be required to pass an action via this electronic voting provision. Only those Directors in attendance of the meeting shall be permitted to vote with respect to this Section 4.10(i). The deadline for receipt of electronic votes with respect to any such vote shall be no sooner than two (2) weeks from the date of the meeting, as announced prior to adjournment of such meeting. (ii) Action Without Meeting. For purposes of taking action without a meeting, solicitation via electronic balloting and voting shall be permitted hereunder. Such procedure shall be initiated by the electronic distribution of the Motion and all related materials for consideration by the Board to



all of the Directors in Good Standing at the time of such distribution. Thereafter, such Directors shall be permitted to cast their votes electronically in response to the distributed Motion. The deadline for receipt of such electronic votes cast by the Directors shall be no less than two (2) weeks from the date of mailing of the balloting materials, as set forth therein. The results of all electronic voting shall be reported at the next Board Meeting.

**Section 4.11 Vacancies.** Any vacancy occurring in the Board of Directors at any time for any reason may be filled by the affirmative vote of a majority of the remaining Directors, so long as the requirements of Section 4.2 are met. An individual designated to fill a director position shall serve for the unexpired term of his or her predecessor in office, or, if there is no predecessor, until the next election of Directors. If a vacancy results in there being fewer Directors than required by the Bylaws or Charter, and if such vacancy is not filled within ninety (90) days of the event which caused the vacancy, any director may apply to a court having equity jurisdiction in the county in which the Corporation has its principal office to have such court appoint a sufficient number of Directors so that the Corporation will have the number of Directors required by its Bylaws or Charter, whichever number is greater.

**Section 4.12 Reimbursement of Expenses.** Except as provided in Section 4.4, each director and officer may be paid his or her reasonable expenses, if any, of attendance at each meeting of the Board of Directors or any committee of the Board of Directors, after submitting substantiation of such expenses to the Corporation. No such payment shall preclude any director from serving the Corporation in any other capacity.

**Section 4.13 Presumption of Assent.** A director of the Corporation who is present at a meeting of the Board of Directors at which action on any Corporation matter is taken shall be presumed to have assented to the action taken, unless his or her abstention or dissent shall be entered in the minutes of the meeting, or unless he or she shall file his or her written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof, or forward such dissent by registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

**Section 4.14 Removal.** Any or all of the Directors may be removed for cause or without cause as follows: (i) "for cause," by vote of two-thirds of the total number of the Directors of the Corporation; or (ii) "without cause," by vote of four-fifths of the total number of the Directors of the Corporation. For purposes of this provision, "cause" shall mean final conviction of a felony, declaration of unsound mind by court order, adjudication of bankruptcy, non-acceptance of office, conduct prejudicial to the interest of the Corporation, or absence from three (3) or more consecutive meetings of the Board. Removal of a director shall also constitute removal as an officer of the Corporation and as a member of all committees of the Board.

**Section 4.15 Resignation.** A director may resign his or her membership at any time by tendering his or her resignation in writing to the Chair of the Board of Directors. A resignation shall become effective upon the date specified in such notice or, if no date is specified, upon receipt of the resignation by the Corporation at its principal place of business.

## **ARTICLE V: OFFICERS**

**Section 5.1 Number.** There shall be a President, Secretary (who shall also be known as the President-Elect), Treasurer, Past-President and Vice-President of the Board of Directors, each of whom shall be elected or appointed in accordance with the provisions of this Article. The Board may also elect such other officers and assistant officers as the Board may deem necessary or appropriate. Except for the offices of President and Secretary, any two or more offices may be held by the same person.

**Section 5.2 Election and Term of Office.** The President, Secretary, Treasurer and Vice President of the Board of Directors shall be elected annually by the Board from among the membership of Franklin Rotary at Breakfast at its annual meeting. The President, Secretary, Treasurer and Vice President of the Corporation shall hold office for a term one year (July 1 – June 30) following election to said office, or until his or her earlier death, resignation, or removal from office in the manner hereinafter provided.

**Section 5.3 President.** The President shall, when present, preside at all meetings of the Board of Directors and may also be known as the Chair of the Board of Directors. The President shall be the principal executive officer of the Corporation and shall in general perform all of the duties, and have all of the authority, specified in such Position Description as the Board of Directors may adopt from time to time. The Chair may sign, with the Secretary or any other proper officer thereunto authorized by the Board of Directors, deeds, mortgages, bonds, contracts, and other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or these Bylaws to some other officer or agent of the Corporation, or shall be required by law to be otherwise signed or executed. The President shall encourage the Directors of the Corporation, as well as other volunteers, to use their energies and abilities to advance the purposes of the Corporation, Franklin Rotary at Breakfast, Rotary International and the Rotary Foundation.

**Section 5.4 Secretary (a/k/a the President-Elect).** In the absence of the President or in the event of his or her death, inability, or refusal to act, the Secretary shall perform the duties of the President (pending, election, if necessary, of a successor pursuant to Section 5.8), and when so acting, shall have all the powers of, and be subject to all the restrictions. The Secretary shall also keep the minutes of the proceedings of the Board of Directors and the members in one or more books provided for that purpose; maintain membership records, record attendance at meetings and report monthly attendance figures to the district governor within fifteen days of the last meeting of each month; send out notices of meetings of the Corporation, Board and committees; make required reports to Rotary International; see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; be custodian of the corporate records and of the seal, if any, of the Corporation and see that the seal is affixed to all documents, the execution of which is duly authorized on behalf of the Corporation under its seal; keep a register of the post office address of each member of the Board of Directors, which address shall be furnished to the Secretary by each director; and in general perform all duties incident to the office of secretary and such other duties as may from time to time be assigned to him or her by the President or by the Board of Directors. The Secretary shall serve ex-officio as a member of the Bylaws Committee as it is constituted from time to time.

**Section 5.5 Treasurer.** The Treasurer shall have charge and custody of, and be responsible for, all funds and securities of the Corporation; oversee the receipt of moneys due or payable to the Corporation from any source whatsoever, and assure the deposit all such monies in the name of the Corporation in such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of Article IX of these Bylaws; oversee the disbursement of funds of the Corporation in accordance with the directives of the Board of Directors, assuring proper vouchers for such disbursements; and render to the Board of Directors, at its annual meeting and at such other times as may be requested by the Board of Directors, an account of all the transactions of the Treasurer and of the financial condition of the Corporation. The Treasurer shall serve, ex officio, as a member of the Budget and Finance Committee of the Corporation, but shall not serve as its chair. The Treasurer shall assure compliance with: (i) financial standards applicable to non-profit organizations, and (ii) applicable federal requirements incident to the Corporation's tax-exempt status. The Treasurer shall in general perform all of the duties incident to the office of treasurer and such other duties as may from time to time be assigned to him or her by the President or the Board of Directors.

**Section 5.6 Vice President.** The Vice-President shall perform such other duties as may from time to time be assigned to him or her by the President or by the Board of Directors.

**Section 5.7 Removal.** Any Board member removed from office pursuant to Section 4.15 shall be automatically removed as an officer. The Board of Directors may remove any officer, with or without cause, when, in its judgment, the best interests of the Corporation will be served thereby.

**Section 5.8 Vacancies.** A vacancy in any office because of death, resignation, removal, disqualification, or otherwise of the director holding such office, may be filled by the Board of Directors.

**Section 5.9 Resignation.** An officer may resign his or her office at any time by tendering his or her resignation in writing to the Chair or, in the case of the resignation of the Chair, to the Secretary. Resignation as an officer of Franklin Rotary at Breakfast shall serve as a resignation as an officer of the Corporation. A resignation shall become effective upon the date specified in such notice, or, if no date is specified, upon receipt of the resignation by the Corporation at its principal place of business.

**Section 5.10 Salaries and Expenses.** No Officer or Director of the Corporation shall be compensated for his or her services rendered to the Corporation.

## **ARTICLE VI: STANDARDS OF CONDUCT**

**Section 6.1 Standards of Conduct.** An officer and director of the Corporation shall discharge his or her duties as a director or as an officer, including duties as a member of a committee:

- (a) In good faith;
- (b) With the care an ordinarily prudent person in a like position would exercise under similar circumstances; and
- (c) In a manner he or she reasonably believes to be in the best interest of the Corporation.

**Section 6.2 Reliance on Third Parties.** In discharging his or her duties, an officer is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by:

- (a) One or more officers or employees of the Corporation who the officer reasonably believes to be reliable and competent in the matters presented;
- (b) Legal counsel, public accountants or other persons as to matters the officer reasonably believes are within the person's professional or expert competence; or
- (c) A committee of the Board of Directors of which the officer is not a member, as to matters within its jurisdiction, if the officer reasonably believes the committee merits confidence.

**Section 6.3 Bad Faith.** An officer is not acting in good faith if he or she has knowledge concerning the matter in question that makes reliance otherwise permitted by Section 6.2 unwarranted.

**Section 6.4 No Liability.** An officer is not liable for any action taken, or any failure to take action, as an officer, if he or she performs the duties of his or her office in compliance with the provisions of this Article, or if he or she is immune from suit under the provisions of T.C.A. §48-58-601 of the Act.

**Section 6.5 No Fiduciary.** No officer shall be deemed to be a fiduciary with respect to the Corporation or with respect to any property held or administered by the Corporation, including, without limitation, property that may be subject to restrictions imposed by the donor or transferor of such property.

## **ARTICLE VII: COMMITTEES**

### **Section 7.1 General Provisions for Standing Committees.**

- (a) Unless otherwise provided herein and subject to the approval of the Board of Directors, the President shall appoint the chair and the members of all standing committees at each annual meeting of the Board, or as soon as practicable thereafter. In order to develop the leadership of the Corporation, it is preferred, but not required, that Directors other than the officers of the Corporation shall serve as Chairs of the Committees. The chair and the members of each standing committee shall be appointed from among the membership of the Board of Directors to hold office for a term of one (1) year, commencing immediately following the meeting at which they are appointed and ending after the close of the next annual meeting of the Board at which their successors are appointed and qualified, or until their earlier death, resignation or removal.
- (b) A member of a standing committee may resign at any time by giving written notice to both the Chair of the Board of Directors and the chair of the committee from which the member is resigning.
- (c) The Board may remove a member of a standing committee when, in its judgment, the best interests of the Corporation will be served by such removal.
- (d) The President shall fill all vacancies in standing committees, subject to the approval of the Board.

- (e) Meetings of standing committees may be called by their respective chair or by the President. Each committee shall meet as often as is necessary to perform its functions.
- (f) Each standing committee may adopt rules for its own governance, provided such rules are not inconsistent with the law, the Charter, these Bylaws, Rotary International or Rotary Foundation.
- (g) A majority of the voting members of a committee shall constitute a quorum for the transaction of business at any committee meeting. The act of a majority of the members of a standing committee present at a meeting at which a quorum is present shall be the act of the committee. Unless otherwise provided, a chair of a standing committee shall be entitled to vote on any question before the committee.
- (h) Each standing committee may invite additional individuals with expertise or familiarity in a pertinent area to meet with and assist the committee. Such individuals shall not vote or be counted in determining the existence of a quorum and may be excluded from any executive session of the committee.
- (i) No standing committee shall have authority to spend funds of the Corporation. Notwithstanding the foregoing, the following committees may expend up to the following without Board approval. However, all expenditures of each Committee shall be reported to the Board at the next scheduled meeting:
  - 1) The Charity Committee is authorized to expend up to and including \$1,000.00 in accordance with its mission. Amounts over \$1,000.00 will need Board approval, which shall be approved or denied in the Board's sole discretion. All expenditures to be reported to the Board at the next scheduled meeting.
    - i. The Education Subcommittee is authorized to expend up to and including \$1,000.00 in accordance with its mission. Amounts over \$1,000.00 will need Charity Committee approval, then Board approval. All expenditures to be reported to the Board at the next scheduled meeting.
  - 2) The Starfish Committee and the International Starfish Committee are authorized to expend up to and including \$3,000.00 in accordance with their missions. Amounts over \$3,000.00 will need board approval. All expenditures to be reported to the board at the next scheduled meeting.
  - 3) The Board of Directors are authorized to expend up to and including \$5,000.00 of monies from the Charity Committee and Education Subcommittee's funds upon the committee recommendation and a majority of the Board's approval.
  - 4) The Board of Directors are authorized to expend up to and including \$10,000.00 of monies from the Starfish and International Starfish committees' funds upon the committee's recommendation and a majority of the board's approval.
  - 5) Expenditures above the amounts designated in items 3) and 4) above require a majority of the club membership to approve.

**Section 7.2 Standing Committees.** The Board of Directors shall maintain the following standing committees, and such additional standing committees as it may determine from time to time to be necessary or desirable for its proper functioning:

- (a) *Starfish Committee.* The Starfish Committee shall operate according to the committee bylaws attached hereto as Exhibit 1, as may be amended from time to time by the

committee. Any conflicts between the Corporation bylaws and the committee bylaws shall be controlled by the language of the Corporation bylaws.

- (b) *Starfish International Water Committee.* The Starfish International Water Committee shall provide potable water to residents in poor countries including water collections systems, wells, installing basic plumbing and securing volunteers and donation of materials to provide safe water. The Committee may adopt committee bylaws that modify this mission, however, any conflicts between the Corporation bylaws and the committee bylaws shall be controlled by the language of the Corporation bylaws. Starfish International Water Committee bylaws are attached hereto as Exhibit 2.
- (c) *Charity Committee.* The Charity Committee shall assist indigent individuals and organizations consistent with the purposes of the Corporation. The Charity Committee shall have authority to provide financial assistance according to these Bylaws and any rules set out by the Committee that do not conflict with these bylaws..
- (d) *Membership Committee.* The Membership Committee shall develop and implement an action plan for recruiting, retaining and educating the members. The Membership Committee shall prepare material to effectively recruit, retain and educate members, including but not limited to conducting classification surveys to ensure membership classifications are relevant to current business trends and conducting club assessment to ensure membership development efforts are effective. The Membership Committee shall review the application of a person proposed by an active member for membership in the Corporation and shall vote on the whether to nominate the person to the Board of Directors.

**Section 7.3 Ad Hoc Committees.** The President, with the approval of the Board as evidenced by resolution, may from time to time create such ad hoc committees as the President believes necessary or desirable to investigate matters or to advise the Board. Ad hoc committees shall limit their activities to the accomplishment of the tasks for which created and shall have no power to act except as specifically conferred by resolution of the Board. Such committees shall operate until their tasks have been accomplished or until earlier discharged by the Board or a vote of the membership.

## **ARTICLE VIII: CONTRACTS, LOANS, CHECKS, AND DEPOSITS**

**Section 8.1 Contracts and Employment of Agents.** The Board of Directors 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 Corporation; and such authority may be general or confined to specific instances. The Board is specifically authorized to enter into such agreements as, in its discretion, it may deem necessary or desirable, with qualified individuals, institutions or agencies to act as custodians or investment managers of the Corporation's funds; to write annuity contracts, trust agreements and other financial plans; and to perform such other financial tasks related to the management of the assets of the Corporation as the Board may from time to time deem necessary or appropriate. Furthermore, the Board of Directors shall be specifically authorized, in its sole discretion, to employ and to pay the compensation or such agents, accountants, custodians, experts, and other counsel, legal, investment or otherwise, as the Board shall deem advisable, and to delegate discretionary powers to, and rely upon information furnished by, such individuals or entities.

**Section 8.2 Loans.** No loans shall be contracted on behalf of the Corporation, and no evidences of indebtedness shall be issued in its name, unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

**Section 8.3 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 Corporation shall be signed by such officer or officers, agent or agents, of the Corporation, and in such manner, as shall from time to time be determined by resolution of the Board of Directors.

**Section 8.4 Deposits.** All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks trust companies, or other depositories as the Board of Directors may select.

## **ARTICLE IX: INDEMNIFICATION AND ADVANCEMENT OF EXPENSES**

**Section 9.1 Mandatory Indemnification of Directors and Officers.** To the maximum extent permitted by the provisions of T.C.A. §§48-58-501 et seq. of the Act, as amended from time to time (provided, however, that if an amendment to the Act in any way limits or restricts the indemnification rights permitted by law as of the date hereof, such amendment shall apply only to the extent mandated by law and only to activities of persons subject to indemnification under this Section which occur subsequent to the effective date of such amendment), the Corporation shall indemnify and advance expenses to any person who is or was a director or officer of the Corporation, or to such person's heirs, executors and administrators, for the defense of any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, and whether formal or informal (any such action, suit or proceeding being hereinafter referred to as the "Proceeding"), to which such person was, is, or is threatened to be made, a named defendant or respondent, which indemnification and advancement of expenses shall include counsel fees actually incurred as a result of the Proceeding or any appeal thereof, reasonable expenses actually incurred with respect to the Proceeding, all fines (including any excess -tax assessed with respect to an employee benefit plan), judgments, penalties and amounts paid in settlement thereof, subject to the following conditions:

- (a) The Proceeding was instituted by reason of the fact that such person is or was a director or officer of the Corporation; and
- (b) The director or officer conducted himself or herself in good faith, and he or she reasonably believed: (i) in the case of conduct in his or her official capacity with the Corporation, that his or her conduct was in its best interest; (ii) in all other cases, that his or her conduct was at least not opposed to the best interests of the Corporation; and (iii) in the case of any criminal proceeding, that he or she had no reasonable cause to believe his or her conduct was unlawful. The conduct of a director or officer with respect to an employee benefit plan for a purpose he or she reasonably believed to be in the interest of the participants in, and beneficiaries of, the plan shall be conduct that satisfies the requirements that such person's conduct was at least not opposed to the best interests of the Corporation. The termination of a proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent is not, of itself, determinative that the director or officer did not meet the standard of conduct herein described.

**Section 9.2 Permissive Indemnification of Employees and Agents.** The Corporation may, to the maximum extent permitted by the provisions of T.C.A. §§48-58-501 et seq. of the Act, as amended from time to time (provided, however, that if an amendment to the Act in any way limits or restricts the indemnification rights permitted by law as of the date hereof, such amendment shall apply only to the extent mandated by law and only to activities of persons subject to indemnification under this Section which occur subsequent to the effective date of such amendment), indemnify and advance expenses in a Proceeding to any person who is or was an employee or agent of the Corporation, or to such person's heirs, executors and administrators, to the same extent as set forth in Section 9.1 above, provided that the Proceeding was instituted by reason of the fact that such person is or was an employee or agent of the Corporation and met the standards of conduct set forth in Subsection 9.1(b) above. The Corporation may also indemnify and advance expenses in a Proceeding to any person who is or was an employee or agent of the Corporation to the extent, consistent with public policy, as may be provided by the Charter, by these Bylaws, by contract, or by general or specific action of the Board of Directors.

**Section 9.3 Non-Exclusive Application.** The rights to indemnification and advancement of expenses set forth in Sections 9.1 and 9.2 above are contractual between the Corporation and the person being indemnified, and his or her heirs, executors and administrators, and are not exclusive of other similar rights of indemnification or advancement of expenses to which such person may be entitled, whether by contract, by law, by the Charter, by a resolution of the Board of Directors, by these Bylaws, by the purchase and maintenance by the Corporation of insurance on behalf of a director, officer, employee or agent of the Corporation, or by an agreement with the Corporation providing for such indemnification, all of which means of indemnification and advancement of expenses are hereby specifically authorized. The rights of indemnification and advancement of expenses set forth in this Article IX shall also apply, as appropriate, to any person who was an officer, director, employee or agent ( or to such person's heirs, executors and administrators) of any association, corporation, partnership or trust which was a predecessor to this Corporation, and to any officer, director, employee or agent of the Corporation, and to any officer, director, employee or agent of the Corporation (or such person's heirs, executors and administrators) who served in any capacity for another association, corporation, partnership or trust at the request of this Corporation.

**Section 9.4 Non-Limiting Application.** The provisions of this Article IX shall not limit the power of the Corporation to pay or reimburse expenses incurred by a director, officer, employee or agent of the Corporation in connection with such person's appearing as a witness in a Proceeding at a time when he or she has not been made a named defendant or respondent to the Proceeding.

**Section 9.5 Prohibited Indemnification.** Notwithstanding any other provision of this Article IX, the Corporation shall not indemnify or advance expenses to or on behalf of any director, officer, employee or agent of the Corporation, or such person's heirs, executors or administrators: (a) If a judgment or other final adjudication adverse to such person establishes his or her liability for any breach of the duty of loyalty to the Corporation, for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, or under T.C.A. §48-58-304 of the Act; or (b) In connection with a Proceeding by or in the right of the Corporation in which such person was adjudged liable to the Corporation; or (c) In connection with any other Proceeding charging improper personal benefit to such person, whether or not involving action in his or her



official capacity, in which he or she was adjudged liable on the basis that personal benefit was improperly received by him or her.

**Section 9.6 Repeal or Modification Not Retroactive.** No repeal or modification of the provisions of this Article IX, either directly or by the adoption of a provision inconsistent with the provisions of this Article, shall adversely affect any right or protection, as set forth herein, existing in favor of a particular individual at the time of such repeal or modification.

## **ARTICLE X: CONFLICTS OF INTEREST**

**Section 10.1 General.** A conflict of interest transaction is a transaction with the Corporation in which a director or officer of the Corporation has a direct or indirect interest. A director or officer of the Corporation has an indirect interest in a transaction if, but not only if, a party to the transaction in another entity in which the director or officer has a material interest, or of which the director or officer is a general partner, director, officer or director. A conflict of interest transaction is not voidable or the basis for imposing liability on the director or officer if the transaction was fair at the time it was entered into, or if the transaction is approved as provided in Section 10.2

**Section 10.2 Manner of Approval.** A transaction in which a director or officer of the Corporation has a conflict of interest may be approved if:

- (a) The material facts of the transaction and the interest of the director or officer were disclosed or known to the Board of Directors, or to a committee consisting entirely of members of the Board of Directors, and the Board of Directors or such committee authorized, approved or ratified the transaction; or
- (b) Approval is obtained from the Attorney General of the State of Tennessee, or from a court of record having equity jurisdiction in an action in which the Attorney General is joined as a party.

**Section 10.3 Quorum Requirements.** For purposes of Section 10.2, a conflict of interest transaction is authorized, approved or ratified if it receives the affirmative vote of a majority of the Directors on the Board of Directors, or on a committee consisting entirely of members of the Board of Directors, who have no direct or indirect interest in the transaction; but a transaction may not be authorized, approved or ratified under this Article by a single director. A quorum is present for the purpose of taking action under this Article if a majority of the Directors on the Board who have no direct or indirect interest in the transaction vote to authorize, approve or ratify the transaction. The presence of, or vote cast by, a director with a direct or indirect interest in the transaction does not affect the validity of any action taken under subsection 10.2(a) if the transaction is otherwise approved as provided in Section 10.2.

## **ARTICLE XI: FISCAL YEAR**

The fiscal year of the Corporation shall begin on July 1st and end on June 30th.

## **ARTICLE XII: WAIVER OF NOTICE**

Whenever any notice is required to be given to any director, officer or committee member of the Corporation under the provisions of these Bylaws, the Charter, or the Act, 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: AMENDMENTS**

These Bylaws and the Charter may be altered, amended, or repealed, and a new Charter or Bylaws adopted, upon the affirmative vote of three-fourths (75%) of the Board of Directors present at any annual or special meeting, except to the extent that such alteration, amendment or repeal is inconsistent with Article XIV hereof. No amendment shall authorize the Board of Directors to conduct the affairs of the Corporation in any manner or for any purpose contrary to the provisions of I.R.C. §501(c)(3), as now in force or hereafter amended, nor shall any amendment authorize distributions to beneficiaries other than Charitable Beneficiaries or for purposes other than Charitable Purposes.

### **ARTICLE XIV: EXEMPT STATUS**

The Corporation has been organized and will be operated exclusively for exempt purposes within the meaning of I.R.C. §501(c)(3) and, as such, will be exempt from taxation under I.R.C. §501(a). Any provision of these Bylaws or of the Charter which would in any manner adversely affect the Corporation's tax exempt status shall be void and shall be deleted or modified as necessary to comply with all applicable federal and state requirements for the maintenance of the Corporation's tax exempt status.