

Bylaws

ChicoryLane Foundation

July 14, 2024

DEFINITIONS

Article I. As used in these Bylaws

- a. "Foundation" means The ChicoryLane Foundation
- b. "Board" means the Board of Directors of the Foundation.
- c. "Chairperson" means Chairperson of the Board
- d. "Vice Chairperson" means Vice Chairperson of the Board
- e. "Secretary" means Secretary of the Board
- f. "Treasurer" means Treasurer of the Board
- g. "Family" refers to the two (2) related Co-Founders of the Foundation (John B. Smith and Catherine F. Smith) and their sole direct (1) Descendant (Ian J. Smith).
 - i. "Family Member" refers to an individual member of the aforementioned Family
 - ii. "Family Council" refers to the group of the aforementioned Family Members who may appoint Family Members as Family Directors with assigned Roles, as provided for in these Bylaws, at their discretion.
- h. "Director" means a duly elected member of the Board or a Family Member appointed by the Family as a member of the Board

BYLAWS

Article I: Name and Purpose

Section 1. Name: The name of this organization shall be "ChicoryLane Foundation" (hereinafter referred to as the "Foundation").

Section 2. Purpose: The purposes of the Foundation are to maintain ecologically significant undeveloped land and water and to provide a program of education, aesthetic, and research activities consistent with the ecological and conservation values associated with that land and water.

Article II. Principal office: The principal office of the Foundation shall be located in Centre County, Pennsylvania.

Article III. Fiscal Year. The fiscal year of the Foundation shall be the calendar year.

Article IV: Governance

Section 1. Board of Directors: The Foundation shall be governed by a Board of Directors, which shall have the authority and responsibility to manage and oversee the affairs of the Foundation.

Section 2. Composition of the Board: The Board shall consist of up to nine (9) Directors, including

- a. Up to two (2) Directors duly appointed by the Family
- b. Up to seven (7) Directors duly elected by the Board
- c. If zero (0) or only one (1) Director(s) is/are appointed by the Family, up to two (2) additional Directors duly elected by the Board to total nine (9) Directors.
- d. Family Directors may be appointed by the Family Council.
- e. Non-Family Directors may be nominated by any member of the Board and shall be elected by the affirmative votes of the majority of votes cast by Directors at a Board meeting at which a quorum is present.
- f. Director terms of service will normally be for three (3) years but may be staggered as determined by the Board so that approximately one-third (1/3) are elected, or appointed in the case of Family Directors, each year.
- g. Any Director may resign at any time for any reason by giving written notice to the Board.
- h. If a Board seat becomes vacant during a term, the Directors may appoint someone to fill the position, upon the affirmative vote of the majority of votes cast by Directors present at a Board meeting at which a quorum is present.
- i. A Non-Family Director may be removed by a two-thirds (2/3) vote of the Board at any regular or special meeting called for such purpose, on at least ten (10) days' notice.
- j. The number of Non-Family Directors may be changed and shall be determined by a motion or resolution duly adopted, from time to time, upon the affirmative votes of the majority of votes cast by Directors present at a Board meeting at which a quorum is present.
- k. Upon the last to die of the Family Members, provisions within these Bylaws regarding Family Members may be changed by a motion or resolution duly adopted upon the affirmative votes of the majority of votes cast by Directors present at a Board meeting at which a quorum is present

Section 3. Qualifications of Directors: For nomination or election and service on the Board, each Non-Family Member Director shall:

- a. Be a natural person
- b. Have knowledge or experience in ecology, land and water conservation, historic structure preservation, education, the arts, organizational management and administration, investment and finance, information technology, or other relevant fields.

- c. Be eligible to serve as Director for two (2) consecutive terms.
- d. Be ineligible to serve until at least one (1) calendar year has elapsed after serving two (2) consecutive terms.

Section 4. Roles: The members on the Board shall have the following Roles: - Chairperson, Vice Chairperson; Secretary, Treasurer, and Individual. The Board Members serving in these Roles, except for the Role of Individual, shall constitute the Officers of the Foundation

- a. Roles of Non-Family member Directors shall be appointed by nomination and the affirmative votes of the majority of votes cast by Directors at a Board meeting at which a quorum is present.
- b. Roles of Family Directors may be appointed by the Family Council.
- c. The Board of Directors shall foster and promote the Foundation's purposes at all times.

Section 5. Responsibilities of the Board: The Board shall have the following Responsibilities:

- a. Establish Foundation policies and budgets
- b. Provide ways and means for collecting funds rightfully belonging to the Foundation
- c. Assure timely payment of all financial obligations of the Foundation
- d. Assure compliance with federal and state financial reporting requirements
- e. Maintain correct and complete financial records of account.
- f. Maintain a written annual report available for public inspection at the end of the fiscal year showing the following minimum information:
 - i. Assets and liabilities of the Foundation
 - ii. Principal changes in assets and liabilities during the fiscal year
 - iii. Revenue, expenses, and disbursements of the Foundation for the fiscal year
 - iv. Statement of the names and contact information for Foundation Directors during the fiscal year.

Section 6. Responsibilities of the Officers:

- a. The Chairperson shall provide overall leadership and direction to the Foundation and its Board including guiding the Board in setting the organizations strategic direction and goals. The Chairperson shall preside over all Board meetings, ensuring they are conducted efficiently and in accordance with the bylaws. The Chairperson shall also represent the Foundation in official capacities and act as a spokesperson, as needed.
- b. The Vice-Chairperson acts as the Chairperson when the Chairperson is not available. The Vice- Chairperson also supports the Chairperson in guiding the Board's strategic direction and goals and may undertake specific duties or projects as delegated by the Chairperson. The Vice- Chairperson ensures continuity of leadership and supports the effective functioning of the Board.

- c. The Secretary shall keep records of Board decisions. This includes taking minutes at all Board meetings, announcing meetings, distributing minutes and the agenda to all Board Members, and making sure all official records are kept up to date. The Secretary shall also maintain corporate records and official documents, manage correspondence and ensure timely responses, and file required reports with state agencies and ensure compliance with legal and regulatory requirements. The Secretary shall be responsible for the production of the Foundation's Annual Report and will solicit and incorporate statements and materials from other Officers and Board Members, as appropriate. Whereas some duties of the Secretary may be delegated, the Secretary remains responsible for overseeing all such work and ensuring its satisfactory and timely execution.
- d. The Treasurer shall oversee the financial operations of the organization, ensure sound financial practices, as well as manage the organization's funds, including bank accounts and investments. The Treasurer shall develop, in collaboration with other officers and staff, an annual budget for approval by the Board and monitor it throughout the fiscal year. The Treasurer shall maintain accurate and complete financial records; ensure compliance with federal, state, and local financial reporting requirements; and oversee the preparation and submission of all necessary financial reports and filings, including tax returns and annual reports. The Treasurer shall also report on finances at each Board meeting as well as chair the Finance Committee, including organizing and leading meetings of the Committee.

Section 7. Voting Rights: Voting rights on the Board shall be as follows: a. The Family members on the Board shall each have one (1) vote. b. Each Non-Family member on the Board shall have one (1) vote.

Article V: Meetings of the Board of Directors

Section 1. Regular Meetings: The Board shall hold regular meetings two (2) times per year. The date, time, and location of these meetings shall be determined by the Chairperson.

Section 2. Special Meetings: Special meetings may be called by the Chairperson or by written request of four (4) members of the Board including at least one (1) Family Director.

Section 3. Executive Sessions. Upon adoption of a motion to do so, executive sessions of the Directors may be held when the matter is confidential, including without limitation the following:

- a. Removal of a Director
- b. Contract negotiations
- c. Personnel matters
- d. Budget review and preparation

Section 4. Quorum: A quorum for Board meetings shall consist of fifty (50) percent of the total voting members of the Board, including at least one Family Director, provided there is at least one Family Director on the Board.

Section 5. Public Meetings. Regular and Special meetings of the Board shall be open to visitors, as appropriate:

- a. Subject to rules of order or codes or conduct adopted by the Board that do not conflict with these Bylaws,
- b. Visitors at a regular or special meeting of Directors shall be provided with a reasonable opportunity to speak.

Section 6: Remote Participation. Members may participate in any meeting of the Board by means of conference telephone, video conferencing, or other communications equipment by which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this section shall include voting and shall constitute presence in person at such meeting.

Section 7. Minutes of Meetings of the Board of Directors. The Foundation's Secretary shall make and maintain minutes (the official record) of the proceedings of regular and special meetings of Directors. Only the signature of the Secretary is required to authenticate motions and other actions recorded in the meeting minutes.

Section 8. Parliamentary Authority at Board Meetings. Robert's Rules of Order Revised, Fourth Edition: RulesOnline.com, shall govern Board activity when they are applicable and when they are not inconsistent with these Bylaws or any special rules of order the Foundation may adopt.

Article VI. Unanimous Written Consent

Section 1: Unanimous Written Consent for Board Actions. In accordance with applicable law, any action required or permitted to be taken by the Board of Directors, or any committee thereof, may be taken without a meeting if all members of the Board or committee consent in writing to such action. Such written consents shall have the same force and effect as a unanimous vote of the Board or committee members at a duly convened meeting.

Section 2: Electronic Consent. For the purposes of this section, "writing" and "written consent" shall include electronic communications, such as email or other electronic means, provided that such communication clearly indicates the consent of the Director. Each Director's consent must be signed electronically in a manner that is capable of authentication as permitted by applicable law.

Section 3: Procedure. *Unanimous Written Consent* shall be obtained through the following procedure:

- a. Initiation: Any proposed action or document to be considered by unanimous written consent shall be distributed electronically to all members of the Board or committee by the Secretary or other designated officer.
- b. Review Period: Board or committee members shall have a specified period, not less than five (5) business days, to review the proposed action or document and provide their written consent or objection.
- c. Approval and Record: An action by unanimous written consent is effective when all members have provided their written consent. The Secretary shall ensure that all consents are received and recorded in the official minutes of the Foundation.
- d. Notification: Upon receipt of all consents, the Secretary shall notify all members that the action has been approved and shall record the action in the minutes of the next scheduled Board or committee meeting.

Section 4: Validity. Electronic consents shall be valid and enforceable to the same extent as written signatures and shall be retained in the Foundation's records as required by law.

Article VII. Committees

Section 1. The Board of Directors may create or dissolve committees as the board deems necessary in the best interests of the Foundation. Committees shall have and exercise the authority of a charge given by the Board, which may be broadened, restricted, or extinguished as the Board deems necessary for the best interests of the Foundation. However, no committee shall have the authority to amend or repeal these Bylaws, elect or remove any officer or Director, adopt a plan of merger, or authorize the voluntary dissolution of the Corporation.

Section 2. Executive Committee. Between meetings of the Board of Directors, the day-to-day affairs of the Corporation may be conducted by an Executive Committee. The membership of the Executive Committee shall consist of the Chairperson, Vice Chairperson, Secretary, Treasurer, and at least one Family Director if no Officer is a Family Member.

Section 3. The Finance Committee is responsible for the financial policies, oversight, financial operations, reporting, and compliance of the Foundation. The Committee is appointed by the Board and reports to the Board. It will normally be chaired by the Foundation's Treasurer or another individual with expertise in financial matters appointed by the Board. For a complete statement of the Foundation's financial policies, refer to Addendum B: Finance Committee, attached to these Bylaws.

Section 4. The Activities Committee is responsible for the development, organization, and implementation of workshops and events that align with the Foundation's mission. The Committee is appointed by the Board and reports to the Board. It will normally be chaired by a Director or another individual with expertise in both ecological concerns

and event planning. For a complete statement of the Foundation's activities policies, refer to Addendum C: Activities Committee, attached to these Bylaws.

Article VIII: Finances

Section 1. Funding: The Foundation shall be funded by an Endowment created by the Founding Family. Additional financial resources may be raised by the Board through donations, grants, and fundraising activities.

Section 2. Financial Oversight: The Treasurer shall be responsible for overseeing the financial affairs of the Foundation, including budgeting, financial review and reporting, and compliance with federal and state regulations. For a complete statement of the Foundation's financial policies, refer to Addendum B: Finance Committee, attached to these Bylaws.

Article IX. Conflict of Interest, Self-dealing, and Inurement

Section 1 General Statement of Policy. The Foundation is committed to maintaining the highest standards of integrity and fairness in all its dealings. To ensure these commitments are upheld, the Foundation adheres to strict policies regarding conflicts of interest, self-dealing, and inurement. These policies are designed to prevent any Foundation Director, officer, employee, affiliated person, and Disqualified Persons from engaging in actions that could benefit their personal or financial interests at the expense of the Foundation or compromise their ability to make impartial decisions in the best interests of the Foundation.

Section 2 Reference to Addendum. For a complete statement of the Foundation's policies on conflict of interest, self-dealing, and inurement, including definitions, procedures for disclosure, and resolution of conflicts, refer to the Addendum A: Conflict of Interest, Self-Dealing, and Inurement Policy, attached to these Bylaws. This addendum provides detailed guidelines and procedures for identifying, disclosing, and addressing any actual, potential, or perceived conflicts of interest. All Directors, officers, employees of the Foundation, and Disqualified Persons are required to fully comply with the provisions of this policy as part of their association with the Foundation.

Section 3 Compliance and Enforcement. Compliance with the Conflict of Interest, Self-Dealing, and Inurement Policy is mandatory for all Foundation Directors, officers, employees of the Foundation, and Disqualified Persons. Violations of the policy will result in appropriate disciplinary action, up to and including termination of association with the Foundation. The Foundation reserves the right to amend the addendum as necessary through Board action to ensure continued compliance with legal requirements and best practices in governance.

Article X: Amendments

Section 1. Amendment Procedure: These bylaws may be amended by a two-thirds (2/3) vote of the Board members, including at least one (1) Family Member if the Board includes one or more Family Members at that time, present at a regular or special meeting, provided that notice of the proposed amendment(s) has been given 30 days in advance.

Article XI: Limits of Liability

Section 1. Indemnification. No Director or Officer of ChicoryLane Foundation will be personally responsible for paying damages, debts, or other obligations for actions taken or not taken in their role at ChicoryLane Foundation. However, this does not apply if a Director or Officer has acted dishonestly or engaged in deliberate wrongdoing.

Section 2 Insurance. The Board of Directors shall obtain insurance on behalf of the Directors, Officers, and authorized agents of the Foundation against liabilities asserted against, incurred or arising out of their status in the Foundation, regardless of whether the Foundation would have the power to indemnify them against liability under these bylaws or other provision of law. The amount and scope of such insurance coverage shall be determined by the Board of Directors, but it shall be sufficient to provide reasonable protection against potential liabilities arising from the actions of the Directors and Officers.

Article XII: Dissolution

Section 1: Section 1. Upon the dissolution of the corporation, assets shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, or 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 a Court of Competent Jurisdiction of the county in which the principal office of the corporation is then located, exclusively for such purposes.

Article XIII: Miscellaneous

Section 1. Compliance: The Foundation shall operate in compliance with all applicable federal, state, and local laws and regulations.

Section 2. Effective Date: These Bylaws shall become effective upon approval by the Board.

Section 3. Severability: If any provision of these bylaws is found to be invalid or unenforceable, the remaining provisions shall remain in full force and effect.

Addendum A: Conflict of Interest, Self-Dealing, and Inurement Policy

Purpose: The purpose of this policy is to protect the interests of ChicoryLane Foundation (the "Organization"), a Pennsylvania nonprofit entity, a tax-exempt organization under section 501(c)(3) of the Internal Revenue Code, and operating as a Private Operating Foundation as defined and authorized by the IRS under section 4942(j)(3) of the Internal Revenue Code (IRC). This policy guides the Organization when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer, Director, employee, or other key personnel. This policy also guides officers, Directors, employees, other key personnel, and any disqualified individuals in their interactions with the Organization. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Definitions:

- a. Conflict of Interest:** A situation in which a person may have a dual interest, direct or indirect, in a transaction or arrangement that might affect the person's ability to act in the Organization's best interest.
- b. Self-Dealing:** Any transaction in which a disqualified person (as defined by the IRS for private Foundations) engages in direct or indirect financial transactions with the Organization that results in a personal and improper financial benefit.
- c. Inurement/Private Benefit:** Any use of the Organization's income or assets that directly or indirectly benefits an insider or their family members, beyond what is considered reasonable compensation or reasonable reimbursement for expenses incurred on behalf of the Organization.

Conflict of Interest Policy:

- a. Disclosure:** All Directors, officers, staff, and key employees shall disclose any interest in a transaction or arrangement that might constitute a conflict of interest, using the disclosure form provided by the Organization. This disclosure will be made upon hire or appointment and annually thereafter.
- b. Recusal:** Any person with a potential conflict of interest regarding a transaction or arrangement that comes before the Board or a committee shall leave the meeting during the discussion and vote on the transaction or arrangement.
- c. Approval:** Transactions or arrangements involving potential conflicts of interest may proceed only if they are determined to be fair, reasonable, and in the Organization's best interest. Such determinations must be made in good faith by a majority vote of the disinterested Directors or trustees.

Policy on Self-Dealing: The Organization prohibits self-dealing transactions unless they are thoroughly reviewed and determined to be in the best interest of the Organization and after ensuring that all IRS regulations and requirements are fully met.

Policy on Inurement/Private Benefit: No part of the net earnings, properties, or assets of the Organization, on dissolution or otherwise, shall inure to the benefit of any private person or individual, any director or officer of the Organization, or Disqualified person. Compensation for services rendered and reimbursement for expenses incurred on behalf of the Organization shall be reasonable and not excessive.

Enforcement:

- a. Violations of the Conflict of Interest, Self-Dealing, and Inurement policies can result in disciplinary action, up to and including termination of employment or removal from the Board or office.
- b. The Board of Directors is responsible for enforcing compliance with these policies and shall conduct periodic reviews of adherence to the policy.

Documentation and Records: All disclosures of potential conflicts of interest, as well as decisions dealing with a possible conflict of interest, shall be recorded in the minutes of the meeting at which the disclosure was made or the action was taken. Documentation shall include 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's or committee's decision as to whether a conflict of interest in fact existed, and the actions taken to address the conflict of interest.

This policy statement is made available to and acknowledged by all Directors, officers, employees, and volunteers, and is to be strictly followed by everyone associated with ChicoryLane Foundation.

Addendum B: Finance Committee

The Finance Committee shall manage the Foundation's financial health and ensure compliance with legal and regulatory requirements. Its duties, actions, and responsibilities can be broadly categorized into oversight functions, monthly tasks, and annual IRS requirements, as outlined below:

Oversight Functions

- a. Financial Oversight:** Supervise the Foundation's financial activities to ensure they align with its mission, strategic goals, and budgetary constraints. This includes overseeing investment strategies, managing the endowment, and ensuring adequate liquidity for operational needs.
- b. Risk Management:** Identify and evaluate financial risks and implement strategies to manage these risks effectively.
- c. Compliance:** Ensure the Foundation complies with all federal, state, and local laws and regulations related to its financial operations. This includes compliance with IRS regulations specific to private foundations.
- d. Policy Development:** Develop and review financial policies and procedures, including investment policies, spending policies, and conflict of interest and inurement policies, to ensure best practices in financial management and governance.
- e. Audit Oversight:** Coordinate with external auditors for external audits, review audit findings, and ensure any recommendations are implemented.

Quarterly Tasks

- a. Financial Reporting and Analysis:** Review financial statements on a quarterly schedule and for Board meetings, including balance sheets, income and expense statements, and cash flow statements, to monitor the Foundation's financial status and ensure it is on track to meet its financial objectives.
- b. Budget Monitoring:** Compare actual revenues and expenses against the budget, investigate variances, and recommend adjustments to the budget or operations as necessary.
- c. Cash Management:** Oversee cash flow planning to ensure the Foundation has sufficient funds to cover its operational needs.

Annual IRS Requirements

- a. Form 990-PF Preparation:** Oversee the preparation and submission of Form 990-PF, the annual tax return required for private foundations. This includes ensuring accurate reporting of the Foundation's financial activities and adherence to minimum distribution requirements, described below.

- b. Minimum Distribution Requirement Compliance:** Ensure the Foundation meets the IRS's minimum distribution requirement (MDR) to avoid excise taxes. This involves calculating the required amount to be distributed for charitable activities and ensuring these distributions are made timely.
- c. Excise Tax Management:** Manage and report excise taxes on net investment income, as applicable, and take steps to minimize taxes through careful planning and management of the Foundation's investments.
- d. Record Keeping and Reporting:** Maintain comprehensive financial records and documentation to support the Foundation's IRS filings and facilitate audits. This includes records of investment transactions, and expenses incurred.

Meeting Structure:

- a.** The Financial Committee shall meet as needed to discuss and review the financial issues noted above, to keep the Board informed of relevant financial matters including compliance, and to offer the Board financial recommendations, when appropriate.
- b.** Minutes of meetings shall be recorded and shared with the Board of Directors for transparency and record-keeping.

Membership: The Finance Committee shall consist of three or more members, including a chairperson appointed by the Board of Directors, normally the Treasurer, and at least one Director.

The Finance Committee must work closely with the Board, Foundation staff and any financial management or income tax compliance personnel or services to execute these responsibilities effectively. Meetings as needed, detailed reporting, and clear communication channels between the committee, the Board of Directors, and Foundation staff are crucial for ensuring the Foundation's financial integrity and compliance with all legal and regulatory requirements.

Addendum C: Activities Committee

The Activities Committee is dedicated to the development, organization, and implementation of workshops and events that align with the Foundation's mission by conducting a program of educational, aesthetic, and research activities attuned to the natural environment. This committee plays a crucial role in ensuring that the Foundation's programs are impactful, engaging, and educational.

Responsibilities:

a. Program Development:

- i. Design and propose a variety of workshops, seminars, and events focused on ecology and the natural environment.
- ii. Collaborate with experts, educators, and artists to create content that is informative and inspirational.

b. Event Planning and Execution:

- i. Oversee the logistical aspects of events, including venue selection, scheduling, and participant registration.
- ii. Ensure all events are well-coordinated and meet the Foundation's standards of quality and educational value.

c. Community Engagement:

- i. Foster relationships with local communities and organizations, especially those with conservation, environmental, and ecological concerns, to promote participation and awareness of the Foundation's programs.
- ii. Develop outreach strategies to increase public engagement and support, especially through electronic communications.

d. Evaluation and Improvement:

- i. Assess the effectiveness of programs and events through participant feedback and other metrics.
- ii. Make recommendations for improvements and future initiatives.

Provisions for Recommendations:

- a. The Activities Committee shall submit all program proposals and significant changes to existing programs to the Board of Directors for approval.
- b. Recommendations must be consistent with the Foundation's policies on inurement, conflicts of interest, and self-dealing.

Meeting Structure:

- c. The Activities Committee shall meet as needed to discuss and review program proposals, event planning, and other relevant activities.
- d. Minutes of meetings shall be recorded and shared with the Board of Directors for transparency and record-keeping.

Membership: The Activities Committee shall consist of three or more members, including a chairperson appointed by the Board of Directors, and at least one Director.

Reporting:

- a. The Activities Committee shall prepare timely reports summarizing upcoming activities, activity outcomes, and any recommendations for the Board's consideration.
- b. Each report shall include a description of how each activity aligns with the Foundation's mission and strategic goals.

Conclusion: The Activities Committee is essential to the Foundation's mission to foster a deeper understanding and appreciation of the natural environment.