

ARTICLE 5 – BOARD OF TRUSTEES

Section 5.1. Board of Trustees.

The business and affairs of the Corporation shall be managed under the direction of the Board. The powers of the Corporation shall be exercised by, or under the authority of, the Board except as otherwise provided by statute, the Articles of Incorporation, these Bylaws, or a resolution adopted by the Board.

Section 5.2. Qualifications of Trustees.

Each Trustee shall be a natural person at least 18 years of age who need not be a resident of Pennsylvania. In addition, the requirements of each Trustee (except ex officio Trustees) include, but are not limited to:

- A. active participation at Board meetings;
- B. support for the goals of West Chester University of Pennsylvania as defined by the President of the University and the University's strategic plan;
- C. giving to the Corporation at the leadership level; and
- D. general advocacy of West Chester University of Pennsylvania.

Section 5.3. Number and Election of Trustees.

The Board shall consist of five (5) ex-officio members ("Ex-officio Trustees") and not less than nine (9) or more than thirty-three (33) other members, who shall be divided into three approximately equal classes, each consisting up to eleven (11) individuals ("Class Trustees").

- A. With respect to the Class Trustees: The term of office of one class shall expire in each year. Each class shall be elected by the Board for terms of three (3) years, except in case of a vacancy in any class, in which case the vacancy shall be filled for the balance of the term of such class. However, to achieve the initial classification of the Board, the initial terms of the three classes of the first Board shall be one year, two years, and three years, respectively. Members of the first Board who shall serve in the one (1) year and two (2) year terms will be eligible for reelection to two (2) additional three (3) year terms.
- B. The Ex-Officio Trustees and their terms shall be as follows:
 - 1. One (1) person who is a member of the West Chester University Council of Trustees selected by the Chairperson of the Council of

Trustees ("Council Trustee"). The Council Trustee shall be appointed for a three (3) year term; provided, however, if such Council Trustee ceases to be a member of the Council of Trustees, such Council Trustee shall cease to be a Trustee of the Corporation, and the Chairperson of the Council of Trustees shall appoint another person who is a member of the Council of Trustees to fill the vacancy for the balance of the term.

2. The President of West Chester University of Pennsylvania ("President of WCU") whose term shall be concurrent with his or her tenure as President of WCU. A person serving as acting or interim President of WCU shall serve as a Trustee during such period he or she is serving as acting or interim President of WCU.
3. The Vice President for Advancement of West Chester University of Pennsylvania ("VP Advancement of WCU") whose term shall be concurrent with his or her tenure as VP Advancement of WCU. A person serving as acting or interim VP Advancement of WCU shall serve as a Trustee during such period he or she is serving as such acting or interim VP Advancement of WCU.
4. The Vice President for Administrative and Fiscal Affairs of West Chester University of Pennsylvania ("VP Fiscal of WCU") whose term shall be concurrent with his or her tenure as VP Fiscal of WCU. A person serving as acting or interim VP Fiscal of WCU shall serve as a Trustee during such period he or she is serving as such acting or interim VP Fiscal of WCU.
5. The Associate Vice President for Advancement of West Chester University of Pennsylvania ("Associate VP of Advancement") whose term shall be concurrent with his or her tenure as Associate VP Advancement of WCU. A person serving as acting or interim Associate VP Advancement of WCU shall serve as a Trustee during such period he or she is serving as such acting or interim Associate VP Advancement of WCU.

- C. Initially, the Board of Trustees shall consist of the persons nominated and elected by the Incorporators of the Corporation. Thereafter, the Trustees shall be elected as set forth herein.

Section 5.4. Term of Office.

Each elected Trustee shall hold office until (a) the expiration of the term for which he or she was elected and until his or her successor has been elected and qualified, or (b) his or her earlier death, resignation, or removal. With the exception of the Council Trustee, the President of WCU, the VP Advancement of WCU, the VP Fiscal

of WCU, and the Associate VP Advancement of WCU, elected and appointed Trustees may serve two (2) full consecutive three (3) year terms, after which the Trustee must leave the Board for a period of at least one (1) year before being eligible for re-election. A Trustee elected or appointed for an initial or interim term of less than three (3) years may be elected or appointed for two (2) full consecutive three (3) year terms provided the Trustee will have served a total of no more than eight (8) consecutive years.

Section 5.5. Procedure for Nomination of Candidates for Trustee.

The chair of the meeting shall announce at the meeting of the Board the number of Trustees to be elected at the meeting. The Nominating Committee shall recommend all candidates for election as Trustees. Each nomination must be seconded. No nominations may be made from the floor. After each nomination has been made and seconded, the Trustees shall cast their votes on each candidate nominated.

Section 5.6. Vacancies.

With the exception of Ex-Officio Trustees, vacancies on the Board, including vacancies resulting from (a) an increase in the number of Trustees, or (b) the death, resignation, or removal of a Trustee other than an Ex-Officio Trustee, shall be filled by a majority vote of the remaining Trustees though less than a quorum. Each person so elected shall be a Trustee to serve the balance of the unexpired term. Vacancies resulting from the death, resignation, or removal of an Ex-Officio Trustee shall be filled in the same manner as provided for by the original appointment of such Trustee under Section 6.3 above and each person so appointed shall be a Trustee to serve for the balance of the unexpired term.

Section 5.7. Termination.

Members of the Board who, after notice of the consideration of action by the Board and upon the majority vote of the entire Board and as a result of conflict of interest, criminal prosecution, or lack of attendance at four (4) consecutive meetings without prior approval of the Chairperson, shall cease to be members of the Board of Trustees. Vacancies by death, resignation, refusal to serve, or otherwise, shall be filled for the unexpired term by majority vote of the Trustees then serving, although less than a quorum. A vacancy may only be filled by a person who possesses the qualifications referred to in Section 5.2 of this Article 5.

Section 5.8. Resignations.

Any Trustee may resign at any time by giving written notice to the Corporation. The resignation shall be effective upon receipt by the Corporation or at such subsequent time as may be specified in the notice of resignation.

Section 5.9. Compensation of Trustees.

Trustees shall receive no compensation for their services as Trustees or as committee members. However, the Corporation may compensate a Trustee for providing services to the Corporation in any other capacity, including that of employee or agent of the Corporation. Trustees who serve as employees or agents of the Corporation shall not participate in any vote of the Board with respect to their compensation. Trustees may be reimbursed for reasonable expenses incurred on behalf of the Corporation.

Section 5.10. Voting Rights – Actions of the Board.

Section 5.10(a). Voting Rights.

Each Trustee, excluding Ex-Officio Trustees, shall be entitled to one vote.

Section 5.10(b). Actions of the Board.

At any meeting of the Board of Trustees, only items on the agenda of the meeting notice may be acted upon when a quorum of the Board is not present. When a quorum of the Board is present, new or other business not on the agenda of the notice may be acted upon.

Section 5.11. Emeritus Trustees.

The Nominating Committee may from time to time recommend emeriti status to exceptional retiring Trustees. An Emeritus Trustee may attend all regular meetings of the Board, but shall not be entitled to vote on any matter.

ARTICLE 6 - POWERS AND DUTIES OF THE BOARD OF TRUSTEES

Section 6.1. Authority.

Except as otherwise provided in the Articles of Incorporation or in these Bylaws, all the powers, duties, and functions of the Corporation conferred by the Articles of Incorporation, these Bylaws, State statutes, common law, court decisions, or otherwise shall be exercised, performed, or controlled by the Board.

Section 6.2. Duties.

The Board shall have general charge of the affairs, property, and assets of the Corporation. It shall be the duty of the Board to establish through policy the aims and purposes of this Corporation, so as to support the goals of West Chester University of Pennsylvania, and, to this end, to manage and control all of its property or assets.

Section 6.3. Advisory Appointments.

The Board may appoint as advisors, persons whose advice, assistance, and support may be deemed helpful in determining policies and formulating programs for carrying out the Corporation's purposes.

Section 6.4. Administrative Advisors.

The Board is authorized to engage such persons, including an Executive Director and assistants, law firms, investment bankers, investment portfolio managers, and accounting firms, as in its opinion are needed for the administration of the Corporation and to pay reasonable and competitive compensation for services and expenses thereof.

Section 6.5. Fiduciary Responsibility.

Each member of the Board shall serve in a fiduciary capacity to the Corporation and shall perform his/her duties as a Trustee, including duties as a member of any committee of the Board upon which he/she may serve, in good faith, in a manner he/she reasonably believes to be in the best interests of the Corporation, and with such care, including reasonable inquiry, skill and diligence, as a person of ordinary prudence would use under similar circumstances.

Section 6.6(a). Reliability of Information.

A Trustee shall be entitled to rely in good faith on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared by Board approved consultants, such as legal counsel, public accountants, investment advisors, computer consultants, and other experts.

Section 6.6(b). Actions.

Absent breach of fiduciary duty, lack of good faith or self-dealing, actions taken as a Trustee or any failure to take any action shall be presumed to be in the best interests of the Corporation.

ARTICLE 7 – COMMITTEES

Section 7.1. Establishment and Powers.

The Board may, by resolution adopted by a majority of the Trustees, establish one or more committees to consist of one or more Trustees of the Corporation. The Board may designate one or more Trustees as alternate members of a committee. Any such committee, to the extent provided in the resolution of the Board, shall have and may exercise all of the powers and authority of the Board, except that no committee,

including the Executive Committee and the Standing Committees, shall have any power or authority as to the following:

- A. the filling of vacancies in the Board;
- B. the adoption, amendment, or repeal of the Bylaws;
- C. the amendment or repeal of any resolution of the Board; or
- D. action on matters committed by the Bylaws or by resolution of the Board to another committee of the Board.

Section 7.2. Term.

Each committee of the Board shall serve at the pleasure of the Board.

Section 7.3. Committee Organization.

Except as otherwise provided by the Board, each committee shall be chaired by a Trustee and shall establish its own operating procedures. Each committee shall keep regular minutes of its proceedings and report the same to the Board at each regular meeting. Each committee shall determine its times and places of meetings.

Section 7.4. Ex-Officio Committee Members.

Except in the case of the Executive Committee and the Nominating Committee, the chairperson of each committee, with the approval of the Nominating Committee, may appoint Ex-Officio Committee Members to serve as members of the committee. Ex-Officio Committee Members may serve two (2) full consecutive three (3) year terms, after which the Ex-Officio Committee Member must leave the committee for a period of at least one (1) year before being eligible for re-appointment. An Ex-Officio Committee Member shall be entitled to vote on matters before the committee on which the member serves, but shall not be entitled to vote on matters before the full Board or any other committee.

Section 7.5. Executive Committee.

The Executive Committee shall be composed of the officers of the Corporation, the President of WCU, the Vice President for Advancement of WCU, the Vice President for Administrative and Fiscal Affairs of WCU, and the Executive Director of the Corporation. The Executive Committee shall be authorized to act for the Board between its regular meetings. Except as otherwise provided by these Bylaws or by resolution of the Board, the Executive Committee shall have and may exercise all of the powers and authority of the Board in the management of the Corporation.

Section 7.6. Standing Committees.

The President of the Fund, with the approval of the Board, shall appoint the members of the Standing Committees annually. The Board may, by resolution, determine not to constitute a Standing Committee for any year.

There shall be the following Standing Committees of the Board:

A. Nominating Committee.

The Nominating Committee shall consist of at least five (5) Trustees, of which three (3) shall be Ex-Officio Trustees, and shall be responsible for assuring appropriate representation on the Corporation's Board of Trustees, including individuals with access to funding sources and individuals willing to devote the necessary time to the responsibilities of Trustee. The Nominating Committee shall establish a process to avoid the re-election or re-appointment of individuals who fail to adequately participate in the Corporation's activities or in Board and Committee meetings. The Nominating Committee, in consultation with the President of WCU and Executive Director, shall propose names for election of Trustees (other than Ex-Officio Trustees). Board members shall receive a list of the recommendations of the Nominating Committee prior to the meeting at which the election shall take place. The Board will vote on such nominations at the next regular meeting following the distribution of the recommendations from the Nominating Committee. The Nominating Committee shall maintain a roster of qualified persons who might be nominated to serve interim terms.

B. Development Committee.

The Development Committee shall consist of at least five (5) Trustees and shall be responsible for the development, coordination, and implementation of the fund raising activities of the Corporation.

C. Finance Committee.

The Finance Committee shall consist of at least five (5) Trustees, of which one (1) shall be the Vice President for Administrative and Fiscal Affairs of WCU, and shall meet at least twice each year to review the investments of the Corporation. The Finance Committee shall review annually the adequacy of any insurance policies of the Corporation other than property insurance. The Finance Committee shall be authorized in the name of and on behalf of the Corporation to take any and all action which it deems necessary or desirable to acquire or dispose of investments, and to invest or reinvest the funds of the Corporation provided that:

1. any such action shall not be taken without the prior consent of the President, Treasurer of the Corporation, and the Vice President for Administrative and Fiscal Affairs of WCU; or
2. any such action shall be made in accordance with the requirements of the Pennsylvania Nonprofit Corporation Law of 1988, as amended.

Any such action shall be reported to the Board at its next meeting following the taking of such action.

D. Audit Committee.

The Audit Committee, which may, at the Board's discretion, be a Subcommittee of the Finance Committee, shall consist of at least three (3) Trustees and shall be responsible for the outside and internal audits of the Corporation's financial transactions, shall satisfy itself that necessary controls are in place to ensure compliance with the Corporation's financial policies, and shall periodically evaluate the Corporation's financial control and accounting system and recommend any changes it deems appropriate. The Audit Committee shall report regularly to the Board. The Audit Committee shall recommend to the Board the designation of an independent auditor for the Corporation each year, shall meet privately with the auditor at least once each year, and shall receive the management letter from the auditor. The Audit Committee shall also receive quarterly financial statements from the Treasurer and approve any changes in format recommended by the President. The Audit Committee may request the designated independent auditor, or any officer or employee of the Corporation, to appear before it to report on the financial condition of the Corporation and answer any questions the Audit Committee might have.

ARTICLE 8 – MEETINGS OF THE TRUSTEES

Section 8.1. Place of Meetings.

The Board may hold its meetings at such places as the Board may appoint or as may be designated in the notice of meeting.

Section 8.2. Annual Meeting.

Unless the Board provides by resolution for a different time, the annual meeting of the Board, for election of Trustees and the transaction of any other business which may be brought before the meeting, shall be held at seven o'clock p.m. on the first Tuesday of October in each year. If such day is a legal holiday under the laws of Pennsylvania, the annual meeting shall be held on the next succeeding business day, which is not a legal holiday under the laws of Pennsylvania.

Immediately after each annual election of Trustees, the newly constituted Board shall meet without prior notice at a place where the election of Trustees was held, or at any place and time designated in a notice given as provided in Section 10.1, for the purposes of organization, election of officers, and the transaction of other business.

Section 8.3. Regular Meetings.

Regular meetings of the Board shall be held three times annually at such place and time as shall be designated by the resolution of the Board. If the date fixed for any regular meeting is a legal holiday under the laws of Pennsylvania, the meeting shall be held on the next succeeding day or at such other time as may be determined by resolution of the Board. The Board shall transact such business as may properly be brought before its meetings. Notice of regular meetings need not be given.

Section 8.4. Special Meetings of the Board.

The President or any three Trustees may call special meetings of the Board, which shall be held at such time and place as shall be designated in the call for the meeting. Five days notice of any special meeting shall be given to each Trustee pursuant to Section 10.1. Such notice shall state the time and place of such special meeting but need not state the purpose of the special meeting. Any business may be transacted at any special meeting whether or not the notice of the meeting contained reference thereto, unless otherwise required by the Act or these Bylaws.

Section 8.5. Quorum.

A majority of Trustees shall constitute a quorum for the transaction of business. The acts of a majority of the Trustees present and voting at a meeting at which a quorum is present shall be the acts of the Board.

Section 8.6. Participation in Meetings.

One or more Trustees may participate in a meeting of the Board or a committee thereof by means of conference telephone or similar communication equipment by means of which all persons participating in the meeting can hear each other and participate. Participation in a meeting in this manner shall be considered attendance in person for all purposes of the Act and these Bylaws.

Section 8.7. Organization.

Every meeting of the Board shall be presided over by the President of the Fund, or in the absence of the President, the Vice President, or in the absence of the President and Vice President, a chair chosen by the Executive Director of the Corporation. The Secretary, or in the absence of the Secretary, a person appointed by the Chair, shall act as Secretary.

Section 8.8. Consent of Trustees in Lieu of Meeting.

Any action, which may be taken at a meeting of the Trustees, may be taken without a meeting, if consent or consents in writing, setting forth the action so taken, shall be signed by all Trustees and filed with the Secretary of the Corporation.

ARTICLE 9 – OFFICERS

Section 9.1. Number.

The officers of the Corporation shall include a President, Vice President, a Secretary, a Treasurer, and an Executive Director. The officers may include one or more Assistant Secretaries, one or more Assistant Treasurers, and such officers as the Board may determine by resolution.

Section 9.2. Qualifications of Officers.

The officers shall be natural persons at least 18 years of age who are Trustees. Employees of West Chester University may not be appointed as officers.

Section 9.3. Election and Term of Office.

With the exception of the Executive Director, and except as otherwise provided by resolution of the Board, the officers of the Corporation shall be elected by the Board at the annual meeting of the Board. Each officer shall serve for a term of one year and until his or her successor has been elected and qualified, or until his or her earlier death, resignation, or removal.

Section 9.4. Removal of Officers.

With the exception of the Executive Director, any officer may be removed by the Board whenever in its judgement the best interests of the Corporation will be served. Such removal shall be without prejudice to the contract rights, if any, of any person so removed.

Section 9.5. Resignations.

Any officer may resign at any time by giving written notice to the Corporation. The resignation shall be effective upon receipt by the Corporation or at such subsequent time as may be specified in the notice of resignation.

Section 9.6. The President.

The President shall be the chief executive officer of the Corporation and shall have general supervision over the business and operations of the Corporation, subject to the control of the Board. The President shall chair all meetings of the Board

and the Executive Committee. The President shall execute in the name of the Corporation, deeds, mortgages, bonds, contracts, and other instruments authorized by the Board, except in cases where the execution thereof shall be expressly delegated by the Board to some other officer or agent of the Corporation. In general, the President shall perform all duties incident to the office of President and such other duties as may be assigned by the Board.

Section 9.7. The Vice President.

In the absence or disability of the President or when so directed by the President, the Vice President may perform all the duties of the President, and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice President shall perform such other duties as may be assigned by the Board or the President.

Section 9.8. Secretary.

The Secretary shall record all votes of the Board and the minutes of the meetings of the Board in a book or books to be kept for that purpose. The Secretary shall see that required notices of meetings of the Board are given and that all records and reports are properly kept and filed by the Corporation. The Secretary shall be the custodian of the seal of the Corporation and shall see that it is affixed to all documents to be executed on behalf of the Corporation under its seal. In general, the Secretary shall perform all duties incident to the office of Secretary and such other duties as may be assigned by the Board or the President.

Section 9.9. Assistant Secretaries.

In the absence or disability of the Secretary or when so directed by the Secretary, any Assistant Secretary may perform all the duties of the Secretary, and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the Secretary. Each Assistant Secretary shall perform such other duties as may be assigned by the Board, the President, or the Secretary.

Section 9.10. The Treasurer.

The Treasurer shall be responsible for corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation. The Treasurer shall have full authority to receive and give receipts for all money due and payable to the Corporation, and to endorse checks, drafts, and warrants in its name and on its behalf and to give full discharge for the same. The Treasurer shall deposit all funds of the Corporation, except such as may be required for current use, in such banks or other places of deposit as the Board may designate. In general, the Treasurer shall perform all duties incident to the office of Treasurer and such other duties as may be assigned by the Board or the President.

Section 9.11. Assistant Treasurer.

In the absence of the Treasurer or when so directed by the Treasurer, any Assistant Treasurer as appointed by the University may perform all the duties of the Treasurer, and when so acting, shall have all the powers of, and be subject to all the restrictions upon, the Treasurer. Each Assistant Treasurer shall perform such other duties as may be assigned by the Board, the President, or the Treasurer.

Section 9.12. Executive Director.

The Executive Director of the Corporation shall be the Associate Vice President for Advancement at West Chester University of Pennsylvania. The Executive Director shall be responsible for the day-to-day management of the Corporation, including preparation of business contracts, organization of meetings, preparation of reports and agendas, and any other duties assigned by the President or the Board. The Executive Director shall implement the Board's policies and advise the Board on issues affecting the Corporation. The Executive Director shall consult with the Committees of the Board as to the matters for which such Committees have responsibility.

ARTICLE 10 – NOTICE

Section 10.1. Notice of Meetings of Trustees.

Written notice of every regular meeting of the Board, stating the time, place and purpose of the meeting, shall be given by, or at the direction of, the Secretary to each member of the Board, at least ten (10) days prior to the day named for the meeting, unless a greater period of notice is required. If the Secretary shall neglect or refuse to give notice of the meeting, the person or persons calling the meeting may do so. In the case of a special meeting, the notice shall specify the general nature of the business to be transacted and shall be given at least three (3) business days prior thereto. The Board may provide for additional notice by publication or otherwise should it be deemed advisable.

Section 10.2. Written Notice.

Whenever written notice is required to be given to any person, it may be given to the person, either personally or by sending a copy by first class or express mail (postage prepaid), or by telegram (with messenger service specified), or electronic mail, telex, or TWX (with answer back received), or courier service (charges prepaid), or by facsimile transmission, to his or her address (or to his or her telex, electronic mail, TWX, or facsimile number) appearing on the books of the Corporation or, in the case of Trustees, supplied by him or her to the Corporation for the purpose of notice. If the notice is sent by mail, telegraph, or courier service, it shall be deemed to have been given when deposited in the United States mail or with a telegraph office or courier service for delivery to that person or, in the case of electronic mail, telex, or TWX, when dispatched or, in the case of facsimile, when receipt has been confirmed. A notice of meeting shall

specify the place, day and hour of the meeting and any other information required by the Act. Except as otherwise provided by the Act or these Bylaws, when a meeting is adjourned, it shall not be necessary to give any notice of the adjourned meeting, or of the business to be transacted at an adjourned meeting, other than by announcement at the meeting at which such adjournment is taken.

Section 10.3. Waiver by Writing.

Whenever any written notice is required to be given, a waiver in writing, signed by the person or persons entitled to the notice, whether before or after the time stated, shall be deemed equivalent to the giving of the notice. Neither the business to be transacted at, nor the purpose of, a meeting need be specified in the waiver of notice of the meeting.

Section 10.4. Waiver by Attendance.

Attendance of a person at any meeting shall constitute a waiver of notice of the meeting except where a person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting was not lawfully called or convened.

ARTICLE 11 – CONFLICTS OF INTEREST

Section 11.1. Interested Trustees and Officers.

No contract or transaction between the Corporation and one or more of its Trustees or officers or between the Corporation and any other corporation, partnership, association, or other organization in which one or more of its Trustees or officers are directors or officers, or have a financial interest, shall be void or voidable solely for such reason, or solely because the Trustee or officer is present at or participates in the meeting of the Board which authorizes the contract or transaction, or solely because his, her, or their votes are counted for that purpose, if:

- (a) the material facts as to the relationship or interest and as to the contract or transaction are disclosed or are known to the Board and the Board in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested Trustees even though the disinterested Trustees are less than a quorum; or
- (b) the contract or transaction is fair as to the Corporation as of the time it is authorized, approved, or ratified by the Board.

Interested Trustees may be counted in determining the presence of a quorum at a meeting of the Board which authorizes the contract or transaction.

ARTICLE 12 – LIMITATION OF LIABILITY AND INSURANCE

Section 12.1. Limitation of Liability of Trustees.

A Trustee shall not be personally liable, as such, for monetary damages for any action taken or any failure to take any action as a Trustee unless:

- (a) the Trustee has breached or failed to perform the duties of his or her office under Subchapter B of Chapter 55 of the Act; and
- (b) the breach or failure to perform constitutes self-dealing, willful misconduct, or recklessness.

This Section shall not apply to (1) the responsibility or liability of a Trustee pursuant to any criminal statute, or (2) the liability of a Trustee for the payment of taxes pursuant to federal, state, or local law. Any repeal or amendment of this Section shall be prospective only and shall not increase, but may decrease, a Trustee's liability with respect to actions or failures to act occurring prior to such change.

Section 12.2. Insurance.

The Corporation may purchase and maintain insurance on behalf of any person who is or was a Trustee or officer of the Corporation or is or was serving at the request of the Corporation as a director or officer of another domestic or foreign corporation for profit or not-for-profit, partnership, joint venture, trust, or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against that liability under the Act. The Corporation's payment of premiums with respect to such insurance coverage shall be provided primarily for the benefit of the Corporation. To the extent that such insurance coverage provides a benefit to the insured person, the Corporation's payment of premiums with respect to such insurance shall be provided in exchange for the services rendered by the insured person and in a manner so as not to constitute an excess benefit transaction under section 4958 of the Internal Revenue Code of 1986, as amended.

ARTICLE 13 – INDEMNIFICATION

Section 13.1. Representative Defined.

For purposes of this Article, "representative" means any Trustee or officer of the Corporation.

Section 13.2. Third-Party Actions.

The Corporation shall indemnify any representative who was or is a party or is threatened to be made a party to any threatened, pending or completed action or

proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation), by reason of the fact that he or she is or was a representative of the Corporation, or is or was serving at the request of the Corporation as a director or officer of another domestic or foreign corporation for profit or not-for-profit, partnership, joint venture, trust, or other enterprise, against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him or her in connection with the action or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation and, with respect to any criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action or proceeding by judgment, order, settlement, or conviction or upon a plea of nolo contendere or its equivalent shall not of itself create a presumption that the person did not act in good faith and in a manner that he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation and, with respect to any criminal proceeding, had reasonable cause to believe that his or her conduct was unlawful.

Section 13.3. Derivative and Corporate Actions.

The Corporation shall indemnify any representative who was or is a party or is threatened to be made a party to any threatened, pending or completed action by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he or she is or was a representative of the Corporation, or is or was serving at the request of the Corporation as a director or officer of another domestic or foreign corporation for profit or not-for-profit, partnership, joint venture, trust, or other enterprise, against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection with the defense or settlement of the action if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation. Indemnification shall not be made under this Section in respect of any claim, issue or matter as to which the person has been adjudged to be liable to the Corporation unless and only to the extent that the court of common pleas of the judicial district embracing the county in which the registered office of the Corporation is located or the court in which the action was brought determines upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses that the court of common pleas or other court shall deem proper.

Section 13.4. Employee Benefit Plans.

For purposes of this Article, "other enterprises" shall include employee benefit plans; "serving at the request of the Corporation" shall include any service as a representative of the Corporation that imposes duties on, or involves services by, the representative with respect to an employee benefit plan, its participants or beneficiaries; excise taxes assessed on a person with respect to any employee benefit plan shall be deemed "fines"; and action with respect to an employee benefit plan taken or omitted in good faith by a representative in a manner he or she reasonably believed to be

in the interest of the participants and beneficiaries of the plan shall be deemed to be action in a manner that is not opposed to the best interests of the Corporation.

Section 13.5. Procedure for Effecting Indemnification.

Unless ordered by a court, any indemnification under Section 13.2 or Section 13.3 shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the representative is proper in the circumstances because he or she has met the applicable standard of conduct set forth in those Sections. The determination shall be made:

- (a) by the Board by a majority vote of a quorum consisting of Trustees who were not parties to the action or proceeding; or
- (b) if such a quorum is not obtainable or if obtainable and a majority vote of a quorum of disinterested Trustees so directs, by independent legal counsel in a written opinion.

Section 13.6. Advancing Expenses.

The Corporation shall pay expenses (including attorneys' fees) incurred in defending any action or proceeding referred to in Section 13.2 in advance of the final disposition of the action or proceeding upon receipt of any undertaking by or on behalf of the representative to repay the amount if it is ultimately determined that he or she is not entitled to be indemnified by the Corporation as authorized in this Article or otherwise.

Section 13.7. Supplementary Coverage.

The indemnification and advancement of expenses provided pursuant to this Article shall not be deemed exclusive of any other rights to which a person seeking indemnification or advancement of expenses may be entitled under the Act, or any bylaw, agreement, vote of disinterested Trustees, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding that office. Article 11 (relating to conflicts of interest) shall be applicable to any bylaw, contract, or transaction authorized by the Trustees under this Section. However, no indemnification may be made by the Corporation under this Article or otherwise to or on behalf of any person to the extent that:

- (a) the act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted self-dealing, willful misconduct, or recklessness; or
- (b) the Board determines that under the circumstances indemnification would constitute an excess benefit transaction under section 4958 of the Internal Revenue Code of 1986, as amended.

Section 13.8. Duration and Extent of Coverage.

The indemnification and advancement of expenses provided by or granted pursuant to this Article shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a representative of the Corporation and shall inure to the benefit of the heirs and personal representatives of that person.

Section 13.9. Reliance and Modification.

Each person who shall act as a representative of the Corporation shall be deemed to be doing so in reliance upon the rights provided by this Article. The duties of the Corporation to indemnify and to advance expenses to a representative provided in this Article shall be in the nature of a contract between the Corporation and the representative. No amendment or repeal of any provision of this Article shall alter, to the detriment of the representative, his or her right to the advance of expenses or indemnification related to a claim based on an act or failure to act which took place prior to such amendment or repeal.

ARTICLE 14 – ANNUAL REPORT

Section 14.1. Annual Report.

The President and Treasurer shall present the Board at its annual meeting a report, verified by the President and Treasurer or by a majority of the Board, showing in appropriate detail the following:

- (a) the assets and liabilities, including the trust funds, of the Corporation as of the end of the fiscal year immediately preceding the date of the report;
- (b) the principal changes in assets and liabilities, including the trust funds, during the year immediately preceding the date of the report;
- (c) the revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes, for the year immediately preceding the date of the report, including separate data with respect to each trust fund held by or for the Corporation; and
- (d) the expenses or disbursements of the Corporation, for both general and restricted purposes, during the year immediately preceding the date of the report, including separate data with respect to each trust fund held by or for the Corporation.

The annual report of the Board shall be filed with the minutes of the annual meetings of the Board.

ARTICLE 15 – TRANSACTION OF BUSINESS

Section 15.1. Real Property.

The Corporation shall make no purchase of real property nor sell, mortgage, lease away or otherwise dispose of its real property, unless authorized by a vote of the majority of the Board. If the real property is subject to a trust, the conveyance away shall be free of trust and the trust shall be impinged upon the proceeds of such conveyance.

Section 15.2. Negotiable Instruments.

All checks or demands for money and notes of the Corporation shall be signed by the Treasurer. In the absence of the Treasurer, such instruments shall be signed by an Assistant Treasurer appointed by the President of the University.

Section 15.3. Contracts.

The Board may authorize any officer or officers, agent or agents of the Corporation, in addition to the offices so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation. Such authority may be general or confined to specific instances.

Section 15.4. Checks and Drafts, Etc.

All checks, drafts, or orders for the payment of money, notes, or other evidence of indebtedness issued in the name of the Corporation shall be signed by the Treasurer. In the absence of the Treasurer, such instruments shall be signed by an Assistant Treasurer appointed by the President of the University.

Section 15.5. Deposits.

All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board may select.

Section 15.6. Gifts.

The Board may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Corporation.

Section 15.7. Voting Securities.

All securities owned by the Corporation and having voting power in any other corporation shall be voted by the President or Vice President, unless the Board

designates such other officer to vote any such securities. Any person authorized to vote a security shall have power to appoint proxies, with general power of substitution.

ARTICLE 16 – CORPORATE RECORDS AND CALENDAR

Section 16.1. Corporate Records.

The Corporation shall keep (a) an original or duplicate record of the proceedings of the Board, (b) the original or a copy of its Bylaws, including all amendments thereto to date, certified by the Secretary of the Corporation, and (c) appropriate, complete, and accurate books or records of account, at its registered office or at its principal place of business.

Section 16.2. Accounting Records.

The Corporation shall also keep appropriate, complete, and accurate books or records of account. The records provided for herein shall be kept at its principal place of business in the Commonwealth of Pennsylvania, or at its principal place of business, wherever situated.

Section 16.3. Independent Auditor - Annual Report.

The independent auditor appointed by the Board of Trustees shall annually prepare for the Corporation an Annual Report, verified by the Chairman and Treasurer or by a majority of the Trustees, showing in appropriate detail the following, as of the end of the fiscal year preceding the date of the report:

Section 16.3(a).

The assets and liabilities, including the trust funds, of the Corporation;

Section 16.3(b).

The principal changes in assets and liabilities, including trust funds, during the year;

Section 16.3(c).

The revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes, including separate data with respect to each trust fund held by or for the Corporation;

Section 16.3(d).

The expenses or disbursements of the Corporation, for both general and restricted purposes, including separate data with respect to each trust fund held by or for the Foundation;

Section 16.3(e).

A list of projects and/or organizations to or for which funds were used or distributed for charitable purposes, and such additional reports or information as may be ordered from time to time by the Board.

Section 16.4. Independent Auditor - Financial Reports.

The auditor shall also prepare such financial data as may be necessary for returns or reports required by state or federal governments to be filed by the Corporation. The auditor's charges and expenses shall be proper expenses and shall be competitive with industry standards. Copies of all audits, statements, reports, and data delivered by the auditor to the Board shall be made available or furnished to each Board member.

Section 16.5. Annual Financial Report.

The Board shall at least annually make such distribution of a written report of its financial condition, activities, and distributions to the representative persons and organizations which will, in the opinion of the Board, reasonably inform, the interested public of the operations of the Corporation. The Corporation shall advertise annually the availability of its Annual Financial Report.

Section 16.6. Fiscal Year.

The fiscal year of the Corporation shall be the same as that of West Chester University of Pennsylvania; July 1 through June 30 of each year.

ARTICLE 17 – AMENDMENTS**Section 17.1. Amendments.**

The Bylaws of the Corporation may be amended by a vote of two-thirds of the Trustees present at any regular or special meeting of the Board at which a quorum is present, provided the proposed amendment is set forth in the notice of the meeting and such notice is given at least five (5) days prior to the meeting at which such action is to be taken.

Adopted by the Board of Trustees on October 2, 2001.

FUND FOR WEST CHESTER UNIVERSITY OF PENNSYLVANIA

BOARD OF TRUSTEES 2001-02

Mr. Christopher Franklin '87,
President
Vice President, Corporate & Public
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e-mail: franklinc@suburbanwater.com

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Senior Vice President-Investments
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Associate Vice President for
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Dr. Joseph D. Hamel
Vice President for Administrative and
Fiscal Affairs
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FUND FOR WEST CHESTER UNIVERSITY OF PENNSYLVANIA

BOARD OF TRUSTEES 2001-02

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Home: 610-692-2246

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e-mail: holveck@centocor.com

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Treasurer
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e-mail: mpavlovich@wcupa.edu

Dr. Carlos Ziegler
1109 South Washington Ridge
West Chester, PA 19382-8050
Home: 610-793-2762

Client#: 42621

LUKMGRA

Original in Philip
Sage

ACORD CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YY)
11/15/01

PRODUCER

CBIZ Benefits & Insurance Svcs
15 Baltimore Annapolis Boulevard
P.O. Box 959
Peverna Park, MD 21146-0959

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURERS AFFORDING COVERAGE

INSURED

Lukmire Grant, LLC
C/O Grant Architects
10001 Derekwood Lane, Suite 125
Lanham, MD 20706

INSURER A: Security Insurance Co. of Hartford

INSURER B:

INSURER C:

INSURER D:

INSURER E:

COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC				EACH OCCURRENCE \$ FIRE DAMAGE (Any one fire) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$
	EXCESS LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input type="checkbox"/> RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATUTORY LIMITS OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	OTHER Professional Liability Claims-Made Policy	PL013139	03/01/99	03/01/02	\$1,000,000 Each Occurrence \$1,000,000 Aggregate 0 Deductible

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

CERTIFICATE HOLDER ADDITIONAL INSURED; INSURER LETTER:

T Fund for West Chester University
101 Filano Hall, 628 South Hight Street, West Chester University
West Chester, PA 19383

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.
AUTHORIZED REPRESENTATIVE



Council of Trustees
West Chester University
West Chester, Pennsylvania 19383-1000

Council of Trustees
Resolution
2003-03

www.wcupa.edu

PROPOSED

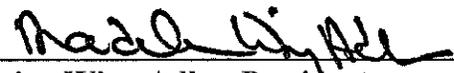
RESOLUTION
COUNCIL OF TRUSTEES
WEST CHESTER UNIVERSITY OF PENNSYLVANIA

JANUARY 22, 2003

Certification of Compliance of the West Chester University Foundation with Board of Governor's Policy on External Financial Support.
(Policy 1985-04)

NOW, IN KEEPING WITH THE BOARD OF GOVERNORS' POLICY 1985-04 AND AFTER A REVIEW OF THE PERTINENT MATERIALS, THE COUNCIL OF TRUSTEES OF WEST CHESTER UNIVERSITY OF PENNSYLVANIA FIND THAT FOR THE FISCAL YEAR OF 2001-2002, THE WEST CHESTER UNIVERSITY FOUNDATION IS MEETING ITS DESIRED PURPOSES AND REQUIREMENTS AND IS IN COMPLIANCE WITH THE CONDITIONS ESTABLISHED BY THE BOARD OF GOVERNORS FOR AFFILIATED ORGANIZATIONS.

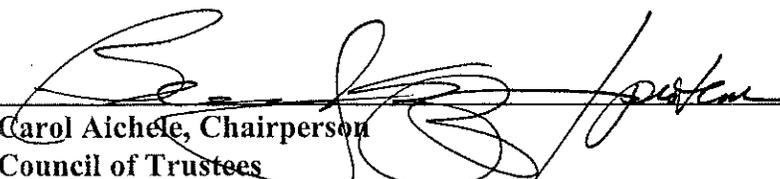
APPROVED PENDING ACTION BY THE COUNCIL OF TRUSTEES



Madeleine Wing Adler, President

1/21/03
Date

APPROVED BY VOTE OF THE COUNCIL OF TRUSTEES



Carol Aichele, Chairperson
Council of Trustees

1-22-03
Date



Office of the Vice President for Advancement
Filano Hall 101
West Chester University
West Chester, Pennsylvania 19383-7000

610-436-3303
fax: 610-436-2606
www.wcupa.edu

MEMORANDUM OF CERTIFICATION

TO: The Council of Trustees

FROM: Mark G. Pavlovich, Vice President for Advancement *MGP*

RE: Certification of the West Chester University Foundation

DATE: January 22, 2003

I am pleased to certify that the West Chester University Foundation is in compliance with the Board of Governor's Policy on External Financial Support (Policy 1985-04). The Foundation meets all of the following criteria:

- 1) An annual statement summarizing University support for and contributions from the Foundation has been prepared for the year ending June 30, 2002 (copy attached).
- 2) A Memorandum of Understanding signed by the Foundation, University, and legal counsel is in place (copy attached).
- 3) An annual audit has been performed and the results are being shared with the Council of Trustees (copy attached).
- 4) Articles of Incorporation and Bylaws are presented to the Council of Trustees (copy attached).
- 5) A current list of Foundation Board members and Officers is available to the Council of Trustees (copy attached).
- 6) Proof of Insurance is presented to the Council of Trustees (copy attached).

mgp