BYLAWS
THE UNIVERSITY OF SOUTH CAROLINA
DEVELOPMENT FOUNDATION


ARTICLE I

Section 1. NAME. The name of this organization shall be The University of South Carolina Development Foundation (herein referred to as the "Foundation"). The provisions set forth herein comprise the bylaws of the Development Foundation (the "Bylaws").

ARTICLE II

Section 1. NATURE - TAX EXEMPT PUBLIC BENEFIT CORPORATION. The Development Foundation is a non-profit corporation (i) established and operating in accordance with the provisions of Sections 501(c)(3), and 509(a)(1), (2), or (3) of the Internal Revenue Code of 1986, as amended (the "Code") and the regulations thereunder and as more particularly set forth in Article III; and (ii) incorporated under the South Carolina Non-Profit Corporation Act of 1994 as a public benefit corporation with members pursuant to the Code of Laws of South Carolina, 1976, as amended ("South Carolina Code" or "S.C. Code") § 33-31-140(30).

Section 2. PRINCIPAL OFFICE; REGISTERED AGENT. The principal office of the Development Foundation shall be 208 Osborne, University of South Carolina, City of Columbia, County of Richland, State of South Carolina; provided; however, the Board of Directors may designate other places within the State of South Carolina as the principal office, in accordance with S.C. Code Section 33-31-505. In addition, the Board of Directors may change the registered agent or the registered office of the Development Foundation from time to time by filing the notice of such change with the Secretary of State of South Carolina or otherwise as permitted by law.

ARTICLE III

Section 1. PURPOSE. The Foundation is organized and shall be operated exclusively to support the University of South Carolina in all of its educational, instructional, scientific, literary, research, service, charitable, and outreach endeavors; provided, however, no part of the net earnings thereof shall inure to the benefit of any private shareholder or individual; provided further, no substantial part of the activities of the Foundation shall consist of carrying on propaganda, or otherwise attempting to influence legislation; provided further, the Foundation shall not participate in or intervene in (including the publishing or distributing of statements) any political campaign on behalf of a
candidate for public office. Notwithstanding any other provision of these Bylaws, the operations, activities and powers of the Foundation shall be limited to those permitted by (i) an organization described in 26 U.S.C. Sections 501(c)(3) and 509(a)(1), (2), or (3), and (ii) an organization contributions to which are deductible under the provisions of 26 U.S.C. Sections 170, 2055, 2106, and 2522, or any other corresponding provision of any future federal tax code or succeeding statute of like tenor and effect.

The Foundation is organized and at all times shall operate exclusively for the benefit of, to perform the functions of, or to carry out the purposes of the University of South Carolina (hereinafter referred to as the "University") including but not limited to the following:

(a) To obtain, acquire, receive, construct, erect or otherwise provide real and personal property in accordance with the needs and demands of the University; and to hold, retain, lease, license, rent, manage, invest, reinvest, develop, sell or otherwise dispose of or assign the income from and/or rights in or to real and personal property, in accordance with the needs and demands of the University;

(b) To promote, encourage and aid scientific investigation and research at the University by providing or assisting in providing the means, property, and facilities (i) for pursuing scientific research, investigation, discoveries, inventions and processes, or (ii) for utilizing, distributing or disposing of same for the purpose of providing funds for the benefit of the University and stimulating further scientific investigation and research at the University; and

(c) To engage in any and all lawful activities necessary or incident to the foregoing purposes, including all powers set forth in S. C. Code §33-31-302 except as limited herein.

Section 2. ACTIVITIES. The activities of the Development Foundation shall be in accord with the purposes as stated in its articles of incorporation and bylaws.

Section 3. DISSOLUTION. In the event of a dissolution of the Development Foundation, all funds, property and assets shall revert to the University of South Carolina, or to some other organization which is itself exempt from Federal income tax as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, or any other corresponding provision of any future federal tax code or succeeding statute of like tenor and effect, which organization appears most likely to carry out the purposes of the Development Foundation, or to the Federal, State, or local government for exclusively public purposes.
ARTICLE IV – DIRECTORS

Section 1. **NUMBER.** The Board of Directors of the Development Foundation shall be the governing body of the Development Foundation and therein shall be vested the entire management of the operations and affairs of the Development Foundation as described more specifically in Section 5 below. The number of members of the Board of Directors shall be determined by the Board of Directors immediately prior to the election of the members of the Board; provided; however, the Board of Directors shall consist of a minimum of eighteen individuals (including ex-officio members). At least twelve of such individuals serving on the Board of Directors shall not be employees of the University. Members of the Board shall be provided for as set forth below:

(a) Three members shall serve as ex-officio, nonvoting members (1) the Chairman of the Board of Trustees of the University, (2) the President of the University, and (3) the Executive Director of the Development Foundation. Ex officio members of the Board shall have all rights and privileges of other members of the Board, except voting.

(b) The Development Foundation seeks to have representation from a wide range of constituencies within the University including one representative from the Board of Trustees of the University and two representatives from the faculty of the University.

(c) The remainder of the members shall be selected from the public at large who have an interest in promoting the purposes of the Development Foundation. The Development Foundation seeks to have broad representation across South Carolina and outside the State. The Development Foundation also seeks to have broad representation from its partnership boards, alumni, and other organizations supportive of the University, but shall not designate any specific seats for such representation.

(d) The immediate past Chair shall serve as Chair Emeritus, and shall be an ex-officio member of the Executive Committee, and shall serve until replaced by the next retiring Chair.

Section 2. **METHOD OF SELECTION.** Unless a separate Nominating Committee is established by the Board, the Executive Committee shall serve as the Nominating Committee for all directors except the three ex officio directors. The Nominating Committee shall actively seek nominations for membership from the current Board of Directors, from the University administration, the Board of Trustees of the University, partnership boards, and other supportive organizations. The Nominating Committee shall select and present candidates for Board membership to the Board of Directors. Directors shall be elected by a majority of the members of the Board of Directors present and voting at a regularly scheduled meeting of the Board and their terms shall commence on the following July 1.
Section 3. **TENURE.** Directors, other than *ex-officio* directors, shall serve for terms of four years each; and may be elected to succeed themselves. If a director fails to attend (in person or by telephone conference call) at least 50 percent of all regular meetings of the Board during the first term, the director shall not be eligible for another term unless the Executive Committee determines that extenuating circumstances prevented the attendance.

Section 4. **VACANCIES.** A vacancy on the Board of Directors shall be deemed to have occurred in the event of the expiration of a term of service, death, disability, resignation or removal of any member of the Board of Directors. When a vacancy occurs, the new director(s) shall be elected by the existing Board of Directors by a majority of those present and voting at a meeting, written notice of such election having been given; provided, however, the outgoing director shall be entitled to vote in such an election. Any member of the Board of Directors may resign; provided, however, such resignation must be in writing and delivered to the Board of Directors or the Chair of the Development Foundation. Such resignation shall be effective when the notice is delivered unless the notice specifies a later effective date.

Section 5. **GOVERNING BODY.** The Board of Directors shall be the governing body of the Development Foundation, and the entire management of the business and affairs of the Development Foundation shall be vested therein, including but not limited to formulation of policy in accordance with the purposes of the Development Foundation. In addition, the Board of Directors shall maintain (i) accurate and complete books and records of account; (ii) custody and responsibility for the property and funds of the Development Foundation; and (iii) control over the Development Foundation's bank account(s). The Board of Directors shall select a certified public accountant to audit the Development Foundation's books of account at least once a year and prepare a report (the "Audit Report") for the Development Foundation. The Board of Directors shall establish operating guidelines for the selection of bank(s) or other depository(ies) wherein shall be deposited and maintained all contributions, donations, dues, or other monies accepted by the Development Foundation.

Section 6. **MEETINGS.**

(a) **Chairman of Meetings.** The Chair of the Development Foundation or the Vice Chair of the Development Foundation shall conduct all meetings of the Board of Directors, and notice of such meetings shall be given in accordance with this Section by or at the direction of the Chair or Secretary-Treasurer of the Development Foundation.

(b) **Regular Meetings.** Regular meetings of the Board of Directors shall be held on such date, time and place as the Board of Directors shall determine. Notice of the date, time and place of regular meetings shall be given no fewer than ten (10) and no more than thirty (30) days before the date of the meeting.
(c) **Special Meeting.** Special meetings of the Board of Directors may be called by the Chair alone, or by the Chair at the request of at least three (3) of the members of the Board of Directors. Notice of the date, time and place of each special meeting shall be given no fewer than two (2) days before the date of the meeting.

(d) **Actions Requiring Additional Notice.** A Board of Directors' action to remove a Director is not valid unless each Director is given at least seven (7) days written notice that the matter will be voted upon at the meeting, along with the date, time and place of the meeting, or unless notice is waived in writing in accordance with this Section.

(e) **Form of Notice.** Notice shall be given in writing unless oral notice is reasonable under the circumstances. Notice may be communicated in person; by telephone, telegraph, teletype, facsimile transmission, or other form of wire or wireless communication; or by mail or private carrier including specifically campus mail of the University.

(f) **Oral Notice.** Oral notice, if reasonable under the circumstances and communicated in a comprehensible manner, is effective when communicated. Oral notice also includes notice through broadcast transmission.

(g) **Waiver of Notice.** A Director may waive any notice required by these Bylaws, the Articles, or applicable law. The waiver must be in writing, signed by the Director entitled to notice, and filed with the Development Foundation records or minutes, and may be executed either before or after the event requiring notice. A Director's attendance at or participation in a meeting waives any required notice unless the Director, upon arriving at the meeting or prior to the vote on a matter not noticed in conformity with these Bylaws, the Articles, or applicable law, objects to the lack of notice and does not thereafter vote for or assent to the objected action.

(h) **Emergency Meetings.** If the Chair determines that an emergency meeting of the Board of Directors is required to conduct urgent business within a time frame that does not permit satisfaction of the notice requirements of this Section, the notice requirements shall be waived; provided, however, that the Chair shall make a good faith effort to notify each member of the Board of Directors it is practicable to reach regarding the date and hour of such emergency meeting, and the Chair may give such notice by whatever means are practicable under the circumstances, including facsimile, telegraph, telephone, publication, and radio. One or more officers of the Development Foundation present at the emergency meeting of the Board of Directors may be deemed to be Directors for the meeting, in order of rank, as necessary to achieve a quorum. If a quorum cannot be assembled because of the emergency, the Board of Directors may proceed to act and such failure to obtain a quorum
will not invalidate the good faith emergency action and shall not be used to impose liability for the action.

(i) **Consent Meeting.** Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if the action is taken by all the members of the Board of Directors. The action must be evidenced by one or more written consents describing the action taken, signed by each member of the Board of Directors, and included in the minutes of the Development Foundation filed with the corporate records reflecting the action taken. The action is effective when the last Director signs the consent, unless the consent specifies a different effective date. A consent signed under this provision has the effect of a meeting vote and may be described as such in any document.

(j) **Telephonic Meeting.** Unless otherwise provided in these Bylaws, any or all Directors may participate in a meeting of the Board of Directors or meeting of any committee by means of conference telephone or any means of communication by which all persons participating in the meeting can hear each other at the same time, and participation by such means shall constitute presence in person at such meeting.

Section 7. **QUORUM.** At any meeting of the Board of Directors, at least one half of the total number of voting members of the Board of Directors authorized to serve shall constitute a quorum for the transaction of Development Foundation business, but in no event shall less than six voting Directors constitute a quorum. If a quorum is present when a vote is taken, the affirmative vote of a majority of the members of the Board of Directors present at a meeting shall be the act of the Board of Directors. The members of the Board of Directors present at a meeting may not continue to do business if enough Directors withdraw to leave less than a quorum, but the Directors present may adjourn the meeting from time to time until a quorum shall be present. Notice of such adjournment until another date, time and place shall be given to any members of the Board of Directors not present, and, unless announced at the meeting, to the other members of the Board of Directors. At any meeting of the members of the Board of Directors, each Director shall be entitled to vote on any issue.

Section 8. **GUIDELINES.** The Board of Directors may authorize, amend or restate operating guidelines, plans, practices and procedures from time to time in order to effectively implement the purposes of the Development Foundation.

Section 9. **PERSONNEL.** The Board of Directors may hire such personnel as it sees fit for the administration of its duties. Personnel shall receive such compensation as the Board of Directors shall determine and shall serve for such time as the Board of Directors in its sole discretion shall determine.

Section 10. **BOND FOR PERSONNEL.** Such persons as the Board of Directors may determine shall give such bond as may be required by the Board of
Directors for the faithful performances of their duties and the proper 
administration of all funds and property received or disbursed. The amount 
of the bond shall be determined by the Board of Directors and expenses for 
same shall be borne by the Development Foundation.

Section 11. STANDARD OF CARE. A Director shall discharge his/her duties as a 
Director, including his/her duties as a member of a committee in good faith, 
with the care an ordinarily prudent person in a like position would exercise 
under similar circumstances, and in a manner the Director reasonably 
believes to be in the best interests of the Development Foundation. In 
discharging his/her duties, a Director is entitled to rely on information, 
opinions, reports, or statements, including financial statements and other 
financial data, if prepared or presented by (i) one or more officers or 
employees of the Development Foundation who the Director reasonably 
believes is reliable and competent in the matters presented, (ii) legal 
counsel, public accountants, or other persons as to matters the Director 
reasonably believes are within the person's professional or expert 
competence, or (iii) a committee of the Board of Directors of which the 
Director is not a member, as to matters within its jurisdiction, if the Director 
reasonably believes the committee merits confidence. A Director is not 
acting in good faith if the Director has knowledge concerning the matter in 
question that makes reliance otherwise permitted unwarranted. A Director 
is not liable to the Development Foundation, a member, or any other 
person for any action taken or not taken as a Director, if the Director acted 
in compliance with this section.

ARTICLE V – OFFICERS

Section 1. NUMBER. Officers shall be a Chair, Vice Chair, Chair Emeritus, Secretary/ 
Treasurer, and the Executive Director, and such other offices as the Board of 
Directors may establish from time to time. No two of these offices may be 
held by one person. An officer may serve as a Committee Chair. The 
officers shall be elected by and from the Board of Directors.

Section 2. METHOD OF SELECTION. Unless a separate Nominating Committee is 
established by the Board, the Executive Committee shall serve as the 
Nominating Committee for the officers. All officers are nominated by the 
Nominating Committee, and shall be elected by a majority of the members of 
the Board of Directors present and voting at a regular meeting and in all 
subsequent even numbered years.

Section 3. TENURE. All officers shall serve for two (2) years or until a successor has 
been duly elected or appointed in accordance with this Article. Officers are 
eligible for reelection to one additional term to that office, except for the 
Executive Director who shall serve ex-officio. An officer who is elected to fill 
a vacancy created by an officer who died, resigned or was otherwise 
unable to serve, shall serve the remainder of the term of the previous 
officer. Prior to the expiration of the term of office of any officer, or 
immediately after an officer's death, resignation, or inability to continue to 
serve, a successor officer shall be elected by the members of the Board of
Directors to the office that may be or become vacant. An officer, whose regular term as a director expires before the term of office expires, shall remain an active member of the Board of Directors and may be re-elected to an office.

Section 4. **DUTIES.** The officers shall perform such duties as are ordinarily incumbent upon their positions, and such other duties as may from time to time be determined by the Board of Directors.

Section 5. **CUSTODY AND MANAGEMENT OF FUNDS.** The Board of Directors shall designate an appropriate custodian or custodians of its funds and qualified investment counsel.

Section 6. **EXECUTIVE DIRECTOR.** The Board of Directors may hire an Executive Director to serve as chief executive officer of the Development Foundation and such other personnel as it sees fit for the administration of its activities.

Section 7. **DUTIES.** The Executive Director of the Development Foundation shall be responsible for properly carrying out the plans and purposes of the Board of Directors as the Chairman of the Board shall direct. The Executive Director shall receive such compensation as the Board of Directors may decide and shall be held responsible for expending of and accounting for any operating funds appropriated in accordance with Article VII, Section 3.

In addition the Executive Director (i) shall keep the seal of the Development Foundation, as well as the minutes of all proceedings of the Development Foundation, including meetings of the Board of Directors and the Members in one or more books provided for such purpose; (ii) shall maintain a Membership roster; (iii) shall prepare and file such reports as may be required by federal, state, and local laws and regulations; (iv) shall be responsible for assuring that all funds of the Development Foundation are in the proper custody, that correct and complete records of account are kept by the Development Foundation, and that such financial reports as may be appropriate are presented to the Board of Directors, the Executive Committee, Members of the Development Foundation, and the University; (v) shall authenticate records of the Development Foundation; and (vi) shall perform such other duties as may be assigned from time to time by the Chair of the Development Foundation or the Board of Directors.

Section 8  **SIGNATORY AUTHORITY.** All deeds, contracts and other legal instruments shall be signed by the Executive Director, the Chair, or other duly authorized individuals of the Development Foundation, in accordance with such operating guidelines and procedures as may be authorized by the Board of Directors including the establishment of such wholly owned corporations or limited liability companies provided such organizations are wholly owned by the Development Foundation and officers and employees of the Development Foundation serve as the officers, directors or managers of such organization. All checks shall be signed by an officer of the Development Foundation or such person(s) as may be designated in
writing by any two officers, in accordance with such operating guidelines and procedures as may be authorized by the Board of Directors.

Section 9. **COMPENSATION.** All officers of the Development Foundation except the Executive Director shall serve without compensation.

Section 10. **STANDARD OF CARE.** An officer with discretionary authority shall discharge his or her duties under that authority in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner the officer reasonably believes to be in the best interests of the Development Foundation. 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 (i) one or more officers or employees of the Development Foundation who the officer reasonably believes to be reliable and competent in the matters presented, (ii) legal counsel, public accountants, or other persons as to matters the officer reasonably believes are within the person's professional or expert competence. An officer is not acting in good faith if the officer has knowledge concerning the matter in question that makes reliance otherwise permitted unwarranted. An officer is not liable to the Development Foundation, any Member, or any other person for any action taken or not taken as an officer, if the officer acted in compliance with this section.

**ARTICLE VI — COMMITTEES**

Section 1. **COMMITTEES.**

(a) **Committees.** The standing committees of the Board of Directors shall be the Executive Committee, the Audit and Budget Committee, the Investments Committee; and the Real Estate Committee. The membership and duties of these committees are set forth below. The Chair of the Development Foundation shall be a member, ex-officio, of each of such committees and shall appoint the chairman of each committee (the "Chairman") from the membership of the Board of Directors. The Chairman shall serve on the committee for the duration of his term as a Director or until he has been removed, has resigned, or otherwise ceases to qualify as Chairman. Vacancies on any committee may be filled for the unexpired portion of the term in the same manner as provided in the case of original appointment. Except as specified below with respect to the Executive Committee, the greater of fifty percent of members of any Committee or two persons shall constitute a quorum and a vote of all of the members present at a meeting at which a quorum is present shall be the act of the Committee.

(1) **Composition.** Committee members shall serve until death, resignation, removal, inability to serve or termination of
Section 2. EXECUTIVE COMMITTEE. The Executive Committee shall be composed of the Chair, Chair Emeritus, Vice Chair, Secretary/Treasurer, the Executive Director of the Development Foundation, and the Chairs of the following committees: Audit and Budget; Real Estate and Investments. Four members of the Executive Committee shall constitute a quorum and a vote of a majority of the members present at a meeting at which a quorum is present shall be the act of the Committee. The Executive Committee shall exercise immediate supervision over the operation of the Development Foundation and shall address such matters that may arise between meeting dates of the Board of Directors, unless a special Board of Directors meeting is called to address such problem or question. The Executive Committee shall exercise full administrative authority and shall possess all the powers and duties of the Board of Directors in the interim between meetings, except as limited by these Bylaws or by the specific instructions of the Board of Directors. After the Executive Committee has taken an action, the Executive Committee shall report such action at the next Board of Directors' meeting, and following approval by the Board of Directors, such action shall be deemed an action of the Board of Directors. In addition to the limitations on committees set forth above, the Executive Committee shall not have power to remove any officers elected by the Board of Directors.

Section 3. MEMBERSHIP OF OTHER STANDING COMMITTEES. The Audit and Budget Committee, the Investments Committee; and the Real Estate Committee shall be composed of members of the Board of Directors all being
appointed by the Chair of the Development Foundation. Each director shall serve on one committee.

Section 4. **DUTIES OF AUDIT AND BUDGET COMMITTEE.** It shall be the duty of the Audit and Budget Committee to:

a) Oversee funds of the Development Foundation. It shall receive and study proposals regarding the needs of the University that might be met by this Development Foundation and make recommendations to the Board on these matters as well as on the annual budget.

b) Hire and set compensation for the independent auditors. The Committee will meet with the auditors no less than annually to review the audit and to receive recommendations to strengthen internal controls.

c) Make recommendations relevant to the mutual understandings and policies between the University and the Development Foundation.

Section 5. **DUTIES OF THE REAL ESTATE COMMITTEE.** It shall be the duty of the Real Estate Committee to oversee all of the activities related to obtaining, acquiring, receiving, constructing, erecting or otherwise providing real and personal property in accordance with the needs and requests of the University; and to hold, retain, lease, license, rent, manage, invest, reinvest, develop, sell or otherwise dispose of or assign the income from and/or rights in or to real and personal property, in accordance with the needs and requests of the University.

Section 6. **DUTIES OF THE INVESTMENTS COMMITTEE.** It shall be the duty of the Investments Committee to:

(a) Review and monitor the investments of the Development Foundation not less than quarterly, and on such other occasions as they are directed, and to report their findings to the Board of Directors.

(b) Establish a written investment policy to include, but not limited to, selection of acceptable asset classes, allowable ranges of holdings in each asset class and by individual investment managers as a percent of assets, the determination of acceptable securities within each asset class, and investment performance expectations.

(c) Hire, as it deems necessary, investment consultants and investment managers to assist in these duties.

Section 7. **ADVISORY COMMITTEES.** The Board may organize such advisory committees, advancement, and other committees from outside its membership as it sees fit to achieve the purposes of the Development Foundation.
ARTICLE VII – FINANCES

Section 1. RECEIPT OF FUNDS. The Development Foundation may receive income, revenues and property from any source, including but not limited to, contributions, payments, grants, donations, bequests and devises from wills and foundations, receipts and fees for services, gifts of money and other property, and any other funds or assets; provided, however, all contributions, payments and receipts must be acceptable to the Board of Directors.

Section 2. MANAGEMENT OF FUNDS. The funds received, together with the income therefrom, shall be held, retained, managed, conserved, administered, used and applied by the Development Foundation in the sole discretion of the Board of Directors in accordance with the purposes and provisions of these Bylaws.

The Board of Directors may accept funds which are qualified, limited or restricted in their use; provided, however, such qualifications, conditions, limitations and restrictions shall not conflict with the purposes of the Development Foundation as set forth in Article III of these Bylaws and the application and use of funds as provided in Article VII of these Bylaws. Unless otherwise specifically required, such restricted contributions and/or bequests may be mingled with other contributions to the Development Foundation.

Section 3. USE. The Development Foundation shall hold, manage, invest and reinvest its funds, including but not limited to cash, securities, monies and investments (including stocks, bonds, and obligations), and shall collect and receive the income therefrom. After deducting all necessary expenses incident to the operation and administration of the Development Foundation, including the payment of any debt service on the obligations of the Development Foundation, such funds and the income therefrom shall be utilized in accordance with the purposes and provisions set forth in Article III of these Bylaws.

Section 4. EXPENSE. The Development Foundation shall be the sole entity or person responsible for the application and use of its funds, including payment of its administrative expenses. The Development Foundation shall operate as an independent and autonomous entity for the purpose of meeting its financial obligations.

Section 5. FISCAL YEAR. The Development Foundation shall operate on a fiscal year basis, with such fiscal year ending on a date to be determined in the sole discretion of the Board of Directors. The period of existence of the Development Foundation shall be perpetual unless terminated in accordance with the dissolution provisions set forth in Article III, infra.
ARTICLE VIII – MEMBERSHIP

Section 1. QUALIFICATIONS OF MEMBERS.

(a) **Composition.** Membership in the Development Foundation shall consist of the members of the Board of Directors of the Development Foundation (the “Members”). A person shall cease to be a Member if such person is either no longer a member of the Board of Directors, or if such person’s Membership is revoked by the Board of Directors pursuant to Article VIII, Section 1(c).

(b) **Duties and obligations.** All Members shall have the same rights with respect to voting and other rights and obligations. Membership shall not be assigned, transferred, pledged or hypothecated.

(c) **Termination.** The Membership of any Member of the Development Foundation may be terminated upon revocation of Membership by the Board of Directors pursuant to the procedure set forth in S.C. Code § 33-31-621. A Member may resign at any time.

Section 2. MEETINGS OF MEMBERS.

(a) **Chairman of Meetings.** The Chair of the Development Foundation shall conduct all meetings of the Members of the Development Foundation, and notice of such meetings shall be given in accordance with this Section by or at the direction of the Chair or Secretary-Treasurer of the Development Foundation.

(b) **Annual Meeting.** The annual meeting of the Members shall be held on such date, time and place as the Board of Directors shall determine. Notice of the date, time and place of the annual meeting shall be given no fewer than ten (10) and no more than thirty (30) days before the date of the meeting. The notice of the annual meeting need not specifically state the business to be discussed at the meeting.

(c) **Special Meetings.** Special meetings of the Members may be called by the Board of Directors, the Chair of the Development Foundation, or twenty percent (20%) of the Members. Notice of the date, time and place of each special meeting shall be given no fewer than ten (10) days nor greater than sixty (60) days before the date of the meeting (if given by first class or registered mail) and shall state the purpose or purposes for which the meeting is called.

(d) **Form of Notice.** Notice shall be given in writing unless oral notice is reasonable under the circumstances. Notice may be communicated in person; by mail or private carrier, including specifically campus mail of the University; by telephone, telegraph, teletype, fax, or other form of wire or wireless communication; or by any other lawful means.
(e) **Oral Notice.** Oral notice, if reasonable under the circumstances and communicated in a comprehensible manner, is effective when communicated.

Section 3. **QUORUM AND PROXIES.**

(a) **Quorum.** Except as otherwise provided by law or these Bylaws, a majority of the Membership, represented in person or by proxy, shall constitute a quorum for action on any matter before the Membership.

(b) **Proxies.** A Member may vote in person or by proxy. A Member may appoint only another Member to act as a proxy to vote or otherwise act for him including giving waivers and consents, by signing an appointment form either in person or by his attorney in fact. An appointment of a proxy shall be effective when received by the Secretary-Treasurer of the Development Foundation or other officer or agent authorized to tabulate votes.

Section 4. **VOTING.**

(a) **One Vote.** Except as otherwise provided by law, each Member of the Development Foundation shall be entitled to one vote for each matter required by South Carolina law to be voted on by members of a South Carolina nonprofit corporation. If a quorum exists, action on a matter by the Members shall be approved if the votes cast favoring such action exceeds the votes cast opposing such action.

(b) **Telephonic Meetings.** Unless otherwise provided in these Bylaws, any or all Members may participate in a meeting by means of conference telephone or any means of communication by which all persons participating in the meeting can hear each other at the same time, and participation by such means shall constitute presence in person at such meeting.

(c) **Action Without Meeting.** Any action required or permitted to be taken at a meeting of the Members, including the annual meeting, may be taken without a meeting if the action is taken by eighty percent (80%) of all Members entitled to vote. The action must be evidenced by one or more written consents describing the action taken, signed by the Member, and included in the minutes of the Development Foundation reflecting the action taken. The action is effective when the last Member signs the consent, unless the consent specifies a different effective date, which effective date may not be more than ten (10) days after notice of Member approval is given pursuant to this section. A consent signed under this provision has the effect of a meeting vote and may be described as such in any document.
ARTICLE IX – AMENDMENTS

Section 1. AMENDMENTS. Amendments to these Bylaws shall be adopted by two-thirds (2/3) vote of the members present or voting by proxy at any regular meeting after written notice of such meeting has been given to each member at least ten (10) days prior to the action on such amendment or amendments.

ARTICLE X – INDEMNIFICATION

Section 1. LIABILITY TO DEVELOPMENT FOUNDATION. To the extent not inconsistent with the South Carolina Code and other applicable law, no persons shall be liable to the Development Foundation for loss or damage suffered by the Development Foundation on account of any action taken or omitted to be taken by such person as a Director, officer or Member of the Development Foundation in good faith, if such person acted in accordance with his duties as set forth in these Bylaws.

Section 2. INDEMNIFICATION.

(a) The Development Foundation may indemnify a Member, Director, or officer of the Development Foundation made party to a proceeding because the individual is or was a Member, Director or officer against liability incurred in the proceeding if the Member, Director or others (i) conducted himself in good faith and (ii) reasonably believed (1) in the case of conduct in his official capacity with the Development Foundation, that his conduct was in its best interest; and (2) in all other cases, that his conduct was at least not opposed to its best interest and (iii) in the case of a criminal proceeding, had no reasonable cause to believe his conduct was unlawful.

(b) The Development Foundation may not indemnify any person (i) in connection with a proceeding by or in the right of the Development Foundation in which such person was adjudged liable to the Development Foundation or (ii) in any other proceeding charging improper personal benefit, whether or not involving action in his official capacity, in which such person was adjudged liable on the basis that the personal benefit was improperly received by such person.

(c) The Development Foundation may also reimburse any such Director, officer or Member for the reasonable cost of the final disposition of any action, suit, or proceeding, if such person (i) furnishes the Development Foundation a written affirmation of his good faith belief that he has met the standards of conduct described in Section 2, paragraph (a) above; (ii) furnishes the Development Foundation a written undertaking to repay the advance if it is ultimately determined that the person did not meet the standard of conduct, and (iii) a determination is made that the facts then known to those making the determination would not preclude indemnification under South Carolina law.
Section 3: ADDITIONAL RIGHTS. The rights of indemnification provided in this Article shall be in addition to any rights to which any such Director, officer or Member may otherwise be entitled. Irrespective of the provisions of this Article, the Board of Directors may, at any time and from time to time, approve indemnification of Directors, officers, Members, employees or other persons to the full extent permitted by the law of the State of South Carolina, whether on account of past or future transactions.

Section 4. DIRECTOR AND OFFICER INSURANCE. The Board of Directors is authorized and empowered to purchase insurance covering the Development Foundation's liabilities and obligations under this Article and insurance protecting the Development Foundation's Directors, officers, Members and employees.

ARTICLE XI – REGULATION AND LAW

Section 1. SUBJECT TO REGULATORY AUTHORITY. The regulation of the business and conduct of the affairs of the Development Foundation shall conform to Federal and State income tax laws and any other applicable Federal and State law, and such regulation shall be determined by these Bylaws, as amended from time to time. In the interpretation of these Bylaws, wherever reference is made to the United States Code, the Internal Revenue Code, the South Carolina Code of Laws or any other statute, or to any section thereof, such reference shall be construed to mean such Code, laws, statutes, or sections thereof, and the regulations thereunder, as the case may be as heretofore or hereafter amended or supplemented or as superseded by laws covering equivalent subject matter.

Section 2. GOVERNING LAW. These Bylaws are executed and delivered in the State of South Carolina and they shall be governed by, construed and administered in accordance with the laws of the State of South Carolina.

I CERTIFY that these Bylaws of the University of South Carolina Development Foundation, as amended, were duly adopted by the Board of Directors of the Development Foundation at a Meeting of the Board of Directors held on February ___, 2004.

Dated: 2/12/04

February 12, 2004

Secretary/Treasurer
University of South Carolina
Development Foundation