

**BYLAWS**  
**OF**  
**THE MOLINARI INSTITUTE**  
**A NOT-FOR-PROFIT CORPORATION**

*Article I. Offices*

The principal office of the Molinari Institute shall be located in the City of Auburn and the State of Alabama. The Corporation may also maintain offices at such other places as the Board of Directors may, from time to time, determine.

*Article II. Purpose*

*Section 1 - Purpose*

The Molinari Institute, hereinafter called the Corporation, is organized to operate exclusively for charitable, scientific, and educational purposes; to educate the public, open critical discussions, and foster innovative research concerning the intellectual tradition of Gustave de Molinari (1819-1912), and its application to the philosophical, cultural, and material foundations of a flourishing and open society. Toward these ends, the Corporation will establish fellowships, conduct research, hold meetings and colloquia, publish both classic works and new research in philosophy, and disseminate information to the public through the creative use of media.

*Section 2 - No private inurement*

No part of the net earnings of the corporation shall inure to the benefit of or be distributable to its members, trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Section 1 hereof.

*Section 3 - No lobbying.*

No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in or intervene in (including the publishing or distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of these articles, the Corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes of the corporation.

*Section 4 - Dissolution*

Upon the dissolution of the Corporation, the board of directors shall, after paying or making provision for the payment of all of the liabilities of the Corporation, dispose of all of the assets of the Corporation exclusively for the purposes of the Corporation, or to such organization or organizations organized and operated exclusively for charitable, educational, religious, or scientific purposes as shall at the time qualify as an exempt organization or organizations under 501(c)3 of the Internal Revenue Code (or the corresponding provision of any future United States Internal Revenue Law). Any such assets not so disposed shall be disposed of by a Court of Competant Jurisdiction of the county in which the principal office of the corporation is then located, exclusively for such purposes, or to such organizations, as said Court shall determine,

which are operated exclusively for such purposes.

#### **Section 5 - Private Foundation**

In the event that the Corporation fails to qualify as a public charity under federal tax law and is considered a private foundation, the corporation shall comply with the following: (a) It will distribute its income for each tax year at such time and in such manner so that it will not become subject to the tax on undistributed taxable income imposed by section 4942 of the Internal Revenue Code, or corresponding provisions of any later federal tax laws; (b) It will not engage in any act of self-dealing as defined in section 4941(d) of the Internal Revenue Code, or corresponding provisions of any later federal tax laws; (c) It will not retain any excess business holdings as defined in section 4943(c) of the Internal Revenue Code, or corresponding provisions of any later federal tax laws; (d) It will not make any investments in a manner that would subject it to tax under section 4944 of the Internal Revenue Code, or corresponding provisions of any later federal tax laws; and (e) It will not make any taxable expenditures as defined in section 4945(d) of the Internal Revenue Code, or any corresponding provisions of any later federal tax laws.

### ***Article III. Members***

The Corporation shall not have members.

### ***Article IV. Board of Directors***

#### **Section 1 - Number, Election and Term of Office**

The number of directors of the Corporation shall be three (3). This number may be increased or decreased by the amendment of these bylaws by the Board but shall in no case be less than three (3) directors. The Board of Directors shall be elected each year by a majority of the votes of the then current Board. Each director shall hold office until his or her resignation, death, or replacement or removal by the other directors.

#### **Section 2 - Vacancies**

Any vacancy in the Board shall be filled by a majority vote of the remaining directors at any regular meeting or special meeting of the Board called for that purpose.

#### **Section 3 - Duties and Powers**

The Board shall be responsible for the control and management of the affairs, property, and interests of the Corporation, and may exercise all powers of the Corporation, except as limited by statute.

The Board of Directors may authorize any officer or agent of the Corporation 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 4 - Annual Meetings**

The Board of Directors shall have a regular meeting at least once per year. The schedule and place shall be determined by action of the Board and notice of regular meetings will be mailed at least ten (10) days prior to the day such meeting is to be held.

#### **Section 5 - Special Meetings**

Special meetings of the Board of Directors may be called at any time by the President of the Corporation, or upon receipt of a request therefore signed by a majority of the directors. Reasonable effort shall be made to notify all directors of special meetings.

#### **Section 6 - Notice and Waiver**

Notice of any special meeting shall be given at least five (5) days prior thereto by written notice delivered personally, by mail, or by facsimile to each Director at his or her address. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail

with postage prepaid. Any Director may waive notice of any meeting, either before, at, or after such meeting, by signing a waiver of notice. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting and a waiver of any and all objections to the place of such meeting, or the manner in which it has been called or convened, except when a Director states at the beginning of the meeting any objection to the transaction of business because the meeting is not lawfully called or convened.

#### **Section 7 - Chair**

The Board may, at its discretion, elect a Chair. At all meetings of the Board, the Chair of the Board, if any and if present, shall preside. If there is no Chair, or he or she is absent, then the President shall preside, and in his or her absence, an acting Chair chosen by the directors shall preside.

#### **Section 8 - Quorum and Adjournments**

At all meetings of the Board, the presence of a majority of the entire Board shall be necessary and sufficient to constitute a quorum for the transaction of business, except as otherwise provided by law, by the Articles of Incorporation, or by these bylaws. A majority of the directors present at the time and place of any regular or special meeting, although less than a quorum, may adjourn the same from time to time without notice, until a quorum shall be present.

#### **Section 9 - Board Action**

At all meetings of the Board, each director present shall have one vote. Except as otherwise provided by law, by the Articles of Incorporation, or by these bylaws, the action of a simple majority of the directors present at any meeting at which a quorum is present shall be the act of the Board.

At all meetings, proxy voting shall be allowed on all issues where practicable, and the notice of meeting shall attempt to describe in detail all substantive issues to be considered at the proposed meeting, and shall provide a proxy form for each such issue, so as to enable each director who is unable to attend the meeting in person to participate in the activities and the votes of the Board.

Any action authorized, in writing, by all of the Directors entitled to vote thereon and filed with the minutes of the Corporation shall be the act of the Board with the same force and effect as if the same had been passed by unanimous vote at a duly called meeting of the Board. Any action taken by the Board may be taken without a meeting if agreed to in writing by all members before the action is taken and if a record of such action is filed in the minute book.

#### **Section 10 - Telephone Meetings**

Directors may participate in meetings of the Board through use of a telephone if such can be arranged so that all Board members can hear all other members. The use of a telephone for participation shall constitute presence in person.

#### **Section 11 - Procedure for Meetings**

Unless modified by a unanimous vote of two-thirds of the Directors present, or by these bylaws, *Robert's Rules of Order (Newly Revised)* will be the authority for all questions of procedure at meetings of the Corporation.

#### **Section 12 - Resignation and Removal**

Any director may resign at any time by giving written notice to another Board member, the President or the Secretary of the Corporation. Unless otherwise specified in such written notice, such resignation shall take effect upon receipt thereof by the Board or by such officer, and the acceptance of such resignation shall not be necessary to make it effective.

Directors may be replaced or removed for cause by action of the Board. However, no director shall be replaced or removed, nor shall the number of Directors be changed nor any vacancy filled, unless all Directors be notified of such proposed action in writing by mail at least ten days in advance of the meeting in which such proposed action will be brought to vote, and

unless such action is approved by vote of two-thirds of the Directors present.

**Section 13 - Compensation**

No stated salary shall be paid to Directors, as such for their services, but by resolution of the Board a fixed sum and/or expenses of attendance, if any, may be allowed for attendance at each regular or special meeting of the Board. Nothing herein contained shall be construed to preclude any Director from serving the Corporation in any other capacity and receiving compensation therefor.

***Article V. Officers***

**Section 1 - Number, Qualification, Election and Term**

The officers of the Corporation shall consist of a President, a Secretary, a Treasurer, and such other officers as the Board may from time to time deem advisable. Any officer may be, but is not required to be, a director of the Corporation. One person may hold more than one office, except that the President and the Secretary must be different persons. The officers of the Corporation shall be elected by the Board and will continue to serve at their pleasure.

**Section 2 - Resignation and Removal**

Any officer may resign at any time by giving written notice of such resignation to the President or the Secretary of the Corporation or to a member of the Board. Unless otherwise specified in such written notice, such resignation shall take effect upon receipt thereof by the Board member or by such officer, and the acceptance of such resignation shall not be necessary to make it effective. Any officer may be removed, either with or without cause, and a successor elected by a majority vote of the Board at any time.

**Section 3 - Duties of Officers**

The President will be the chief executive officer of the Corporation, will preside at meetings of the Board of Directors in the absence of an elected Chair, will have general supervision of the affairs of the Corporation, and will execute on behalf of the Corporation contracts, deeds, conveyances, and other instruments in writing that may be required or authorized by the Board of Directors for transaction of the business of the Corporation.

The Secretary will keep Corporate records including but not limited to minutes of regular and special meetings of the Board of Directors.

The treasurer will have general charge of the finances of the Corporation. As directed by the Board of Directors the treasurer will: maintain for the Corporation a bank account (or accounts); receive all contributions and payments; pay all just debts and obligations; keep accurate and complete records of these transactions; report to the Board of Directors on the financial status and activities of the Corporation as requested but not less than once annually; and report to government authorities as necessary concerning the financial affairs of the Corporation.

**Section 4 - Compensation**

The officers of the Corporation shall be entitled to such compensation as the Board shall from time to time determine.

**Section 5 - Delegation of Duties**

In the absence or disability of any Officer of the Corporation or for any other reason deemed sufficient by the Board of Directors, the Board may delegate his or her powers or duties to any other Officer or to any other Director, except that the President and the Secretary must be different persons.

**Section 7 - Shares of Other Corporations**

Whenever the Corporation is the holder of shares of any other Corporations, any right or power of the Corporation as such shareholder (including attendance, acting and voting at shareholders' meetings and execution of waivers, proxies or other instruments) may be exercised

on behalf of the Corporation by the President, any Vice President, or such other person as the Board may authorize.

## ***Article VI. Committees***

The Board of Directors may, by resolution, designate an Executive committee and one or more other committees. Such committees shall have such functions and may exercise such power of the Board of Directors as can be lawfully delegated, and to the extent provided in the resolution or resolutions creating such committee or committees. Meetings of committees may be held without notice at such time and at such place as shall from time to time be determined by the committees. The committees of the corporation shall keep regular minutes of their proceedings, and report these minutes to the Board of Directors when required.

## ***Article VII. Books, Records, Documents, and Reports***

### **Section 1 - Annual Report**

The President of the Corporation shall cause to be prepared annual or other reports required by law and shall provide copies to the Board of Directors.

### **Section 2 - Permanent Records**

The Corporation shall keep current and correct records of the accounts, minutes of the meetings, and proceedings and membership records (if any) of the corporation. Such records shall be kept at the registered office or the principal place of business of the corporation. Any such records shall be in written form or in a form capable of being converted into written form.

### **Section 3 - Corporate Seal**

The Board of Directors may adopt, use and modify a corporate seal. Failure to affix the seal to corporate documents shall not affect the validity of such document.

### **Section 4 - Inspection of Records**

All records of the Corporation, as kept by its officers, may be inspected by any Director of the Corporation at reasonable time and place and upon reasonable notice.

## ***Article VIII. Fiscal Year***

### **Section 1 - Fiscal Year**

The fiscal year of the Corporation shall be the period selected by the Board of the Directors as the tax year of the Corporation for federal income tax purposes.

## ***Article IX. Amendments***

### **Section 1 - Articles of Incorporation**

The Articles of Incorporation may be amended by unanimous action of the Board of Directors in accordance with the law.

### **Section 2 - Bylaws**

These Bylaws may be amended at any regular meeting with a quorum and with a vote of two-thirds of the current Board of Directors.