

1 **THE LUTHERAN HOUR MINISTRIES**
2 **FOUNDATION**

3 **Bylaws**

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5
6 **Article I**
7 *Offices*
8

9 The principal office of The Lutheran Hour Ministries Foundation (the “Corporation”)
10 shall be located in the St. Louis, Missouri metropolitan area, at such address as the Board of
11 Trustees may from time to time designate. The Corporation may have such other offices, either
12 within or without St. Louis, Missouri, as the business of the Corporation may require from time
13 to time. The principal office of the Corporation may be changed from time to time by the Board
14 of Trustees to any other city either within or outside St. Louis County, Missouri.
15

16 The registered office of the Corporation, required by the Revised Statutes of Missouri to
17 be maintained in the State of Missouri, may be, but need not be, identical with the principal
18 office in the State of Missouri, and the address of the registered office may be changed from time
19 to time by the Board of Trustees.
20

21 **Article II**

22 *Members*
23

24 Section 2a: *Members*. The Corporation shall have Members, provided that the Members
25 shall not have any of the rights of “members” under the Missouri Nonprofit Corporation Act.
26 For purposes of Section 355.066(7) of the Revised Statutes of Missouri, the Members shall be
27 considered delegates and shall have only those rights and powers specifically set forth in these

28 Bylaws. The Members of The Lutheran Hour Ministries Foundation shall consist of the current
29 members of the Board of Directors of the International Lutheran Laymen’s League (the “League
30 Members”), the present Board of Trustees of the Corporation (the “Trustee Members”), and all
31 individuals who have served as Trustee Members or members of the Executive Committee of the
32 International Lutheran Laymen's League (The League).

33

34 Section 2b: *General Powers*. Each Member shall have the right to vote on the election
35 of members of the Corporation’s Board of Trustees to the extent provided in Article II, Section
36 2g. The Members shall also receive the annual report of the Board of Trustees as set forth in
37 Section 2c of these Bylaws.

38

39 Section 2c: *Annual Meeting*. An annual meeting of the Members shall be held in
40 conjunction with the League's Convention, either at the same time or at a time designated by the
41 Members, which closely coincides with the Convention for the purposes of electing Trustees and
42 to receive the Board of Trustees’ report of the Corporation’s operations and activities for the
43 most recent fiscal year. In those years when the League does not hold a Convention, the annual
44 meeting of the Members shall be held in the month of October, for the purpose of receiving the
45 Board of Trustees report of the Corporation’s operations and activities to date.

46 Section 2d: *Notice*. Written notice of each meeting of the Members stating the time and
47 place thereof shall be mailed, postage prepaid, not less than fifteen (15) days nor more than sixty
48 (60) days before the meeting, excluding the day of the meeting, to Members at their address
49 according to the last available records of the Corporation.

50 Section 2e: *Regular Meetings*. Other regular meetings of the Members may be

51 established by the Members. Notice of such meetings shall be given in the same manner as
52 provided in Section 2d.

53

54 Section 2f: *Special Meetings*. Special meetings of the Members may be called by the
55 President of the Corporation. Notice of such meetings shall be given in the same manner as
56 provided in Section 2d.

57

58 Section 2g: *Voting, Quorum and Adjournments*. At every meeting of Members, each
59 Member present shall be entitled to one vote. 20 Members present shall constitute a quorum for
60 all purposes, except as otherwise provided by law, and the act of a majority of the Members
61 present at any meeting shall be the act of the full membership except as may be otherwise
62 specifically provided by statute or by these Bylaws.

63

64 Section 2h: *Non-Convention Year Voting*. A mail-in ballot shall be used by the Members
65 in electing the Trustees in the years between the International Lutheran Laymen's League's
66 conventions. The names on this ballot shall have been selected in the same manner as provided
67 in Section 5d. This ballot shall be accompanied by a description of the Board of Trustees'
68 activities and a financial statement covering the most recent fiscal year, and be sent to all
69 Members no later than July 15th and received by the Corporation no later than August 6th.
70 Twenty (20) ballots returned shall constitute a quorum for the election.

71

72 Section 2i: *Compensation*. The Members shall not receive salaries, fees or compensation
73 for their service as Members or their attendance at any meeting of Members or committee
74 meeting of Members.

75

76 Section 2j: *Interest in Transactions*. No contract or transaction between the Corporation
77 and one or more of its Members or officers, or between the Corporation and any other
78 corporation, partnership, association, or other organization in which one or more of its Members
79 or officers are shareholders, members or officers, or have a financial interest (“Interested
80 Parties”), shall be void or voidable solely for this reason, or solely because the Member or officer
81 is present at, or participates in, the meeting of the Board of Trustees, or a committee thereof,
82 which authorizes the contract or transaction, or solely because their votes are counted for such
83 purpose, if: (a) the material facts as to their relationship or interest and as to the contract or
84 transaction are disclosed or are known to the Trustees or committee, and the Trustees or
85 committee in good faith authorizes the contract or transaction by the affirmative votes of a
86 majority of the disinterested Trustees, even though the disinterested Trustees be less than a
87 quorum; or (b) the contract or transaction is fair as to the Corporation as of the time it is
88 authorized or approved by the Trustees or a committee thereof. Trustees who are Interested
89 Parties may be counted in determining the presence of a quorum at a meeting of the Trustees or a
90 committee which authorizes the contract or transaction.

91

92

Article III

93

Officers of the Corporation

94

95 Section 3a: *Officers*. The officers of the Corporation shall consist of a President, who
96 shall be a member of the League’s Development Department appointed by the President & CEO;
97 a Treasurer, who shall be a member of the League’s Finance and Administration Department
98 appointed by the President & CEO; and a Vice President and a Secretary and such other officers

99 as may be elected in accordance with the provisions of this Article. The Board of Trustees, by
100 resolution, may create the offices of one or more Vice Presidents including one designated as
101 Executive Vice President, Assistant Treasurers and Assistant Secretaries, all of whom shall be
102 elected by the Board of Trustees. Any two or more offices may be held by the same person. The
103 officers need not be Trustees of the Corporation.

104

105 All officers and agents of the Corporation, as between themselves and the Corporation,
106 shall have such authority and perform such duties in the management of the property and affairs
107 of the Corporation as may be provided in the Bylaws, or, in the absence of such provision, as
108 may be determined by resolution of the Board of Trustees.

109

110 Section 3b: *Election and Term of Office.* The officers of the Corporation other than the
111 President and the Treasurer shall be elected annually by the Board of Trustees. Vacancies may
112 be filled or new offices created and filled at any meeting of the Board of Trustees. Officers shall
113 hold office until their successor shall have been duly elected and shall have qualified or until
114 their death or until they shall resign or shall have been removed in the manner hereinafter
115 provided, or in the case of the President or Treasurer, until they no longer qualify for such
116 position.

117

118 Section 3c: *Removal.* Any officer or agent elected or appointed by the Board of Trustees
119 may be removed at the discretion of the Board of Trustees whenever in its judgment the best
120 interests of the Corporation would be served thereby, provided, however, if an officer or agent is
121 an employee of the League, that person may only be removed by the President & CEO.

122

123 Section 3d: *Vacancies*. A vacancy in any elected office because of death, resignation,
124 removal, disqualification or otherwise, may be filled by the Board of Trustees for the unexpired
125 portion of the term.

126

127 Section 3e: *President*. The President shall be the principal executive officer of the
128 Corporation and shall in general supervise and control all of the business and affairs of the
129 Corporation. The President shall be subordinate to the Board of Trustees, shall be the Chief
130 Executive and Chief Operating Officer of the Corporation and shall be in charge of, and exercise
131 general supervisory control over all operating phases and departments of the Corporation. The
132 President shall be entitled to attend and participate in all meetings of the Board of Trustees or of
133 any committee thereof, but shall not have the right to vote on any matter before any such
134 meeting. The President may sign, with the Secretary or Treasurer or any other proper officer
135 thereunto authorized by the Board of Trustees, any deeds, mortgages, bonds, contracts, or other
136 instruments which the Board of Trustees has authorized to be executed, except in cases where the
137 signing and execution thereof shall be expressly delegated by the Board of Trustees, or by these
138 Bylaws, to some other officer or agent of the Corporation, or shall be required by law to be
139 otherwise signed or executed; and in general shall perform all duties as may be prescribed by the
140 Board of Trustees.

141

142 Section 3f: *Executive Vice President*. The Executive Vice President shall perform the
143 duties of the President in the event of the latter's absence, inability or refusal to act. The
144 Executive Vice President shall perform such other duties as from time to time may be assigned
145 by the President of the Corporation or by the Board of Trustees.

146

147 Section 3g: *Treasurer*. The Treasurer shall cause to be kept adequate and correct
148 accounts of the business transactions of the Corporation and on the expiration of the term of
149 office shall turn over to the succeeding Treasurer or to the Board of Trustees all property, books
150 and papers of the Corporation. If required by the Board of Trustees, the Treasurer shall give a
151 bond for the faithful discharge of duties in such sum and with such surety or sureties as the
152 Board of Trustees shall determine. The Treasurer shall: (a) be a member of the Investment
153 Committee; (b) have charge and custody of and be responsible for all funds and securities of the
154 Corporation, and receive and give receipts for monies due and payable to the Corporation from
155 any source whatsoever, and deposit all such monies in the name of the Corporation in such
156 banks, trust companies or other depositories as shall be selected in accordance with the
157 provisions of Article VII of these Bylaws; and (c) in general perform all the duties incident to the
158 office of Treasurer and such other duties as from time to time may be assigned by the President
159 of the Corporation or the Board of Trustees.

160

161 Section 3h: *Secretary*. The Secretary shall make provisions to (a) keep the minutes of
162 meetings of the Members and meetings of the Board of Trustees as provided for in these Bylaws;
163 (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as
164 required by law as prescribed in these Bylaws; (c) provide for the custodial care of the corporate
165 records and of the seal of the Corporation and see that the seal of the Corporation is affixed to all
166 documents, the execution of which on behalf of the Corporation under its seal is duly authorized
167 in accordance with the provisions of these Bylaws; and (d) in general perform all duties incident
168 to the office of Secretary and such other duties as from time to time may be assigned to by the
169 President of the Corporation or by the Board of Trustees.

170

171 Section 3i: *Assistant Treasurers and Assistant Secretaries*. The Assistant Treasurers
172 shall respectively, if required by the Board of Trustees, give bonds for the faithful discharge of
173 their duties in such sums and with such sureties as the Board of Trustees shall determine. The
174 Assistant Treasurers and Assistant Secretaries, in general, shall perform such duties as shall be
175 assigned to them by the Treasurer or the Secretary, respectively, or by the President of the
176 Corporation or the Chair of the Board of Trustees.

177

178 Section 3j: *Additional Powers*. Any officer of the Corporation, in addition to the powers
179 conferred upon these individuals by these Bylaws, shall have such powers and perform such
180 additional duties as may be prescribed from time to time by the Board of Trustees.

181

182

Article IV

183

Trustees of the Corporation

184 Section 4a: *General Powers*. The property, business and affairs of the Corporation shall
185 be controlled and managed by its Board of Trustees. This shall include approval of all policies
186 governing the operation of its committees. The Board of Trustees may, by resolution, delegate to
187 such officers or employees of the Corporation, such general and specific powers, as it may deem
188 appropriate.

189

190 Section 4b: *Number, Tenure and Qualifications*. The number of Trustees of the
191 Corporation shall be not less than nine (9) and no more than nineteen (19). The Board of
192 Trustees may, within such limits, at any time, and from time to time, change the number of
193 elected Trustees to constitute the Board of Trustees by adopting a resolution fixing the new
194 number of Trustees to constitute the Board of Trustees of the Corporation from and after the

195 effective date of such resolution. The composition of the Board of Trustees shall be as follows:

196

197 i. The League’s Chief Financial Officer, President & CEO, and Chairman of the
198 Board shall be Trustees (the "League Trustees").

199

200 ii. The League’s Board of Directors shall appoint one (1) member of the Board of
201 Directors to serve as a Trustee (the Directors’ Trustee”).

202

203 iii. The remainder of the Trustees shall be elected by the Members as hereinafter
204 provided by these Bylaws.

205

206 No increase or decrease in the number of Trustees shall have the effect of altering the
207 existing term of any Trustee. Each Trustee shall be a member of a congregation of the Lutheran
208 Church—Missouri Synod or Lutheran Church—Canada.

209

210 Section 4c: *Appointment, Election and Term of Office.*

211

212 i. All appointed and elected members of the Board of Trustees shall hold office until
213 their successors have been appointed or elected and qualified.

214 ii. The term of the Director’s Trustee shall begin at the Annual Meeting of the Board
215 of Trustees. The appointee shall serve a one (1)-year term and be eligible for
216 reappointment.

217 iii. Elective vacancies on the Board shall be filled by the Members at their Meeting
218 held in conjunction with the International Lutheran Laymen’s League Convention

219 or by mail in non-convention years (see 2c and 2h).

220 iv. These elections shall be for three (3)-year terms and no Trustee shall serve more
221 than three (3) consecutive three (3)-year terms.

222

223 Section 4d: *Resignation, Removal and Vacancies.* Trustees may resign at any time in
224 writing to that effect filed with the Secretary or any officer of the Corporation other than
225 themselves. Such resignation shall take effect at the time specified therein, if any, or if no time
226 is specified therein, then upon receipt of such notice by such officer.

227

228 A Trustee (other than any person serving as a League Trustee or as a Directors' Trustee)
229 may be removed with or without cause by the affirmative vote of two-thirds of the Board of
230 Trustees of the Corporation. Notwithstanding the foregoing, nothing herein shall be construed to
231 limit the ability of the League to remove a person serving as a League Directors' Trustee from
232 any position, which qualifies such person to serve as a Trustee. Upon such removal, the League
233 Trustee or Directors' Trustee, as the case may be, shall cease to be a Trustee.

234

235 Whenever any vacancies shall occur among the Trustees, the remaining Trustees shall
236 constitute the Trustees of the Corporation until such vacancy is filled or until the number of
237 Trustees is changed. The remaining Trustees shall fill vacancies for any unexpired term. The
238 appointed Trustees may fill vacancies for any unexpired term. Such an appointee may be
239 eligible for election to serve 3 consecutive terms.

240

241 Section 4e: *Voting, Quorum and Adjournments.* A majority of the Trustees then serving
242 shall constitute a quorum if such majority includes at least one Trustee who is a League Trustee;

243 provided that any meeting duly called may, by a vote of a majority of the Trustees present, be
244 adjourned from time to time and place to place, in which case no further notice of the adjourned
245 meeting need be given. At any meeting of Trustees all questions and business shall be
246 determined by the affirmative vote of not less than a majority of the Trustees present, except as
247 the Articles of Incorporation or the Bylaws may require the affirmative votes of a greater number
248 of Trustees.

249

250 Section 4f: *Annual Meeting*. The annual meeting of the Board of Trustees shall be held
251 for the purpose of electing officers and transacting any other business.

252

253 Section 4g: *Regular Meetings*. Regular meetings of the Board of Trustees may be
254 established by the Board of Trustees. Notice of such meetings shall be given as with the annual
255 meeting.

256

257 Section 4h: *Special Meetings*. Special meetings of the Trustees may be held at any time
258 upon call by the Chair of the Board of Trustees or by any two Trustees. There shall be at least a
259 two (2) day notice of the meeting.

260

261 Section 4i: *Notice of Meeting*. Written notice of each annual meeting of the Board of
262 Trustees stating the time and place thereof shall be mailed not less than fifteen (15) days nor
263 more than sixty (60) days before the meeting, excluding the day of the meeting, to each Trustee
264 at the address according to the last available records of the Corporation.

265

266 Section 4j: *Compensation*. The Trustees shall not receive salaries, fees or compensation

267 for their service as Trustees or their attendance at any meeting of Trustees or committee meeting
268 of Trustees. Expenses may be reimbursed at a level consistent with League policies.

269

270 Section 4k: *Interest in Transactions*. No contract or transaction between the Corporation
271 and one or more of its Trustees or officers, or between the Corporation and any other
272 corporation, partnership, association, or other organization in which one or more of its Trustees
273 or officers are shareholders, members or officers, or have a financial interest (“Interested
274 Parties”), shall be void or voidable solely for this reason, or solely because the Trustee or officer
275 is present at or participates in the meeting of the Board of Trustees or committee thereof which
276 authorizes the contract or transaction, or solely because their votes are counted for such purpose,
277 if: (a) the material facts as to a relationship or interest and as to the contract or transaction are
278 disclosed or are known to the Board of Trustees or committee, and the Board of Trustees or
279 committee in good faith authorizes the contract or transaction by the affirmative votes of a
280 majority of the disinterested Trustees, even though the disinterested Trustees be less than a
281 quorum; or (b) the contract or transaction is fair as to the Corporation as of the time it is
282 authorized or approved by the Board of Trustees or a committee thereof. Trustees who are
283 Interested Parties may be counted in determining the presence of a quorum at a meeting of the
284 Board of Trustees or a committee which authorizes the contract or transaction.

285

286 Section 4l: *Action by Unanimous Consent of Trustees and Attendance by Telephone*
287 *Conference*. Any action, which is required to be or may be taken at a meeting of the Trustees,
288 may be taken without a meeting if consents in writing, setting forth the action so taken, are
289 signed by all the Trustees. The consents shall have the same force and effect as a unanimous
290 vote of the Trustees at a meeting duly held, and may be stated as such in any certificate or

291 document filed under the provisions of the Missouri Nonprofit Corporation Act. The Secretary
292 shall file the consents with the minutes of the meetings of the Board of Trustees. A Trustee may
293 also participate in meetings of the Board of Trustees by means of telephone or other
294 communications equipment whereby all persons participating in the meeting can hear each other,
295 and participation in a meeting in such manner shall be deemed presence in person at the meeting
296 for all purposes.

297

298 Section 4m: *Pastoral Advisor*. The League's Speaker for Lutheran Hour Ministries shall
299 be the Pastoral Advisor to the Board of Trustees. The Pastoral Advisor shall be entitled to attend
300 and participate in all meetings of the Board of Trustees, but shall not have the right to vote on
301 any matter before the Board or the Committee. In the event of a vacancy in the Speaker position,
302 the pastoral advisor of the League shall serve as Pastoral Advisor to the Board.

303

304 Section 4n: *Chair*. The Board of Trustees shall annually elect one of its members to the
305 office of Chair, who shall preside over meetings of the Board of Trustees and serve on such
306 committees of which the Chair is a member. The chair of the Board shall assume the role
307 at the conclusion of the meeting at which he/she was elected. The elected chair shall appoint
308 the members of the committees and their chairs, subject to the approval of the Board of
309 Trustees of the Foundation.

310

311 Section 4o: *Vice-Chair*. The Board of Trustees shall annually elect one of its members
312 to the office of Vice-Chair. The Vice-Chair shall perform the duties of the Chair in the event of
313 the latter's absence, inability or refusal to act. The Vice-Chair of the Board shall assume the
314 role at the conclusion of the meeting at which he/she was elected. The elected chair shall appoint

315 the members of the committees and their chairs, subject to the approval of the Board of Trustees
316 of the Foundation.

317

318

Article V

319

320

Committees of the Board of Trustees

321

322 Section 5a: *General.* The Chair of the Board of Trustees shall, subject to the approval of
323 the Board of Trustees, appoint the persons necessary to constitute the committees described
324 herein. The Board of Trustees may create such additional committees as it deems proper. Every
325 committee established shall have at least one Trustee as a member and shall have at least three
326 (3) members. The President of the Corporation shall have the right, but shall not be required, to
327 be a nonvoting member of any such committee. The resolution establishing each such
328 committee shall specify a designation by which it shall be known and shall fix its powers and
329 authority. The Board of Trustees may delegate to any such committee any of the authority of the
330 Board of Trustees except that no such committee shall (a) have the authority to authorize
331 distributions to Trustees, Members, officers, agents or employees except in exchange for
332 something or some act of equal value received; (b) approve any dissolution, merger or sale,
333 pledge or transfer of all or substantially all of the Corporation's assets; (c) elect, appoint or
334 remove Trustees or fill vacancies on the Board of Trustees or on any committee; or (d) adopt,
335 amend or repeal the Articles or Bylaws.

336

337 Each such committee shall serve at the pleasure of the Board of Trustees, shall act only in
338 the intervals between meetings of the Board of Trustees, and shall be subject to the control and

339 direction of the Board of Trustees. All actions by any such committee shall be subject to
340 revision and alterations by the Board of Trustees.

341 All committees shall make provision to record and preserve a record of their actions.
342 Any such committee may act at a meeting by a majority of its members or by a writing or
343 writings signed by all of its members.

344

345 The Board of Trustees may also designate other committees (whose members need not be
346 Trustees) that do not have or exercise the authority of the Board of Trustees in the management
347 of the Corporation.

348

349 Section 5b: *Executive Committee*. Voting members of the Executive Committee shall
350 consist of the Chair and Vice-Chair of the Board of Trustees, the Secretary of the Corporation,
351 one other elected Trustee chosen by the Board of Trustees, and the Chairman of the Board of
352 Directors. The President & CEO, the President and Treasurer of the Corporation, and the
353 Trustees' Pastoral Advisor shall be non-voting members. The Chair of the Board of Trustees
354 shall serve as Chair of the Executive Committee. Under exceptional circumstances, the Chair, or
355 any two other members of the Executive Committee, may call for a meeting of the full Executive
356 Committee. Any action arising from that meeting shall be shared with the Board of Trustees in
357 the most expeditious way possible. Any person dealing with the Corporation shall be entitled to
358 rely upon the recommendation to the same extent as an act or authorization approved in a
359 regularly scheduled meeting of the Board of Trustees. The Executive Committee shall keep full
360 and complete records of all meetings and actions, which shall be reported to the Board of
361 Trustees. At each meeting of the Executive Committee, all questions and business shall be
362 determined by a majority vote of those participating.

363

364 Section 5c: *Audit Committee.* The Audit Committee shall assist the Board of Trustees in
365 fulfilling its oversight responsibilities. The Audit Committee shall consist of no less than three
366 members who possess a basic understanding of finance and accounting and are competent to read
367 and understand fundamental financial statements, and at least one member of the Audit
368 Committee shall have accounting or related financial management expertise. The Audit
369 Committee shall meet no less than two times per year and have those authorities spelled out in
370 policy.

371

372 Section 5d: *Nominating Committee.* The Nominating Committee shall consist of at least
373 three (3) Trustees appointed by the Chair of the Board of Trustees. The Nominating Committee
374 shall solely be responsible for the final nomination of individuals to serve as Member-elected
375 members of the Board of Trustees. Any member of the International LLL may submit
376 suggestions for possible inclusion on the ballot to the Chair of the Nominating Committee. Such
377 suggestions shall be submitted prior to the March meeting of the Board. All such suggested
378 nominees must be a member of an LCMS or LCC Congregation. The Nominating Committee
379 shall also be responsible for nominations to fill vacancies on the Board of Trustees.”

380

381 Section 5e: *Investment Committee.* An Investment Committee shall be established and
382 composed of three or more Trustees and the Treasurer. Such Committee shall have the power
383 and authority to manage, oversee, and make any and all investment decisions of the Corporation
384 with appropriate utilization of outside investment professionals. All investments made by the
385 Investment Committee shall be in accordance with general guidelines established by such
386 committee and approved by the Board of Trustees. The Investment Committee shall submit a

387 report to the Board of Trustees quarterly summarizing all investments and the performance of all
388 investments, and the Investment Committee shall immediately report to the Board of Trustees
389 any decrease in value of the Corporation’s assets of ten (10) percent or more or any proposed
390 significant change in its investments or investment guidelines. The members of the Investment
391 Committee are authorized, empowered and directed, in their capacity as members of the
392 Investment Committee of the Corporation, on behalf of the Corporation, to take any and all
393 actions and execute and deliver any and all investment agreements, documents, instruments,
394 certificates and resolutions which such members deem necessary, desirable, convenient or
395 appropriate to effect any investment transaction or decision.

396

397 Section 5f: *Meetings and Voting*. Each committee of the Corporation may establish the
398 time for its regular meetings and may change that time, as it deems advisable. Special meetings
399 of any committee of the Corporation may be called by the Chair of that committee or by the
400 Chair of the Board of Trustees. At all committee meetings of the Corporation, each committee
401 member shall be entitled to cast one vote on any question coming before such meeting. The
402 presence of a majority of the membership of any committee of the Corporation shall constitute a
403 quorum at any meeting. A majority vote of the members of a committee of the Corporation
404 present at any meeting thereof shall be sufficient for the transaction of the business of such
405 committee.

406

407 Section 5g: *Term of Office*. Each member of a committee appointed by the Board of
408 Trustees shall continue as such until the next annual meeting of the Board and until a successor
409 is appointed, unless the committee shall be dissolved, or unless such member shall cease to
410 qualify as a member thereof. A committee member may be removed at any time by the Board of

411 Trustees with or without cause.

412

413 Section 5h: *Committee Chair*. One member of each committee shall be appointed chair
414 by the Board of Trustees. Such person shall be a Trustee.

415

416 Section 5i: *Vacancies*. Vacancies in the membership of any committee shall be filled by
417 appointments made in the manner as provided in the case of the original appointments.

418

419 **Article VI**

420 *Gifts & Endowment*

421

422 Section 6a: *Gifts*. The Corporation may accept unrestricted gifts which shall be used for
423 such expenses or invested as the Board of Trustees shall determine. The Board of Trustees may,
424 but shall not be required to, accept restricted gifts or in-kind gifts that are restricted by the donor
425 for a specific purpose or use by the Corporation but only if such purpose or use is consistent with
426 the ministry and purposes of the League as defined by the Board of Directors of the League.
427 Such gifts shall be treated as restricted and shall be used only for the restricted purpose.

428

429 Section 6b: *Use of Net Assets*. The Corporation may use unrestricted net assets, as such
430 term is defined under generally accepted accounting principles, and any increase therein, for the
431 ordinary and necessary operating expenses of the Corporation and to make distributions to or on
432 behalf of organizations exempt under Section 501(c)3 in furtherance of the Corporation's
433 charitable purposes. Anything herein to the contrary notwithstanding, the Corporation may not

434 use any net appreciation with respect to Perpetual Assets (as defined in the Corporation’s
435 Endowments Policy) except as provided in the Endowments Policy as in effect from time to
436 time. The Corporation’s Endowment Policy and Distribution Policy, as amended from time to
437 time by the Board of Trustees, shall govern distributions of the assets of the Corporation for the
438 support of the ministries of the League and the Corporation.

439

440 Section 6c: *Distribution of Unrestricted Net Assets*: It shall be the general intent of the
441 Corporation to use any increase in its unrestricted net assets to help fund its operations and the
442 current activities of the League and its affiliates rather than to accumulate income for future
443 distribution, subject to the specific terms of the Corporation’s Distribution Policy.

444

445

Article VII

446

Contracts, Loans, Checks and Deposits

447

448 Section 7a: *Contracts*. The Board of Trustees may authorize any officer or officers,
449 agent or agents, to enter into any contract or execute and deliver any instrument in the name of
450 and on behalf of the Corporation, and such authority may be general or confined to specific
451 instances. Exceptions to this section would be those identified in Articles III and IV of these
452 Bylaws.

453

454 Section 7b: *Authority to Borrow, Encumber Assets*. No officer, Trustee, agent or
455 employee of the Corporation shall have any power or authority to borrow money on behalf of the
456 Corporation, to pledge its credit or to mortgage or pledge its real or personal property except

457 within the scope and to the extent of the authority delegated by resolutions adopted from time to
458 time by the Board of Trustees.

459

460 Section 7c: *Checks, Drafts, etc.* All checks, drafts, or other orders for the payment of
461 money, notes or other evidences of indebtedness issued in the name of the Corporation, shall be
462 signed by such officer or officers, agent or agents of the Corporation and in such manner as shall
463 from time to time be determined by resolution of the Board of Trustees.

464

465 Section 7d: *Deposit of Funds.* All funds of the Corporation not otherwise employed
466 shall be deposited from time to time to credit of the Corporation in such banks, trust companies
467 or other depositories as the Board of Trustees may approve or designate, and all such funds shall
468 be withdrawn only in the manner or manners authorized by the Board of Trustees from time to
469 time.

470

471

Article VIII

472

Indemnification

473

474 Section 8a: *Action, Etc. Other Than By or In The Right of The Corporation.* The
475 Corporation shall indemnify any person who was or is a party or is threatened to be made a party
476 to any threatened, pending or completed action, suit, or proceeding, whether civil, criminal,
477 administrative or investigative, other than an action by or in the right of the Corporation, by
478 reason of the fact of being a current or past Trustee, officer, employee or agent of the
479 Corporation, or is or was serving at the request of the Corporation as a Trustee, officer, employee
480 or agent of another corporation, partnership, joint venture, trust or other enterprise, against

481 expenses, including attorneys' fees, judgments, fines and amounts paid in settlement actually and
482 reasonably incurred by the individual in connection with such action, suit, or process if the
483 Trustee acted in good faith and in a manner reasonably believed to be in or not opposed to the
484 best interests of the Corporation, and, with respect to any criminal action or proceeding, had no
485 reasonable cause to believe the conduct was unlawful. The termination of any action, suit, or
486 proceeding by judgment, order, settlement, conviction, or upon a plea of "nolo contendere" or its
487 equivalent, shall not, of itself, create a presumption that the person did not act in good faith and
488 in a manner which the Trustee reasonably believed to be in or not opposed to the best interests of
489 the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to
490 believe that the conduct was unlawful.

491
492 Section 8b: *Actions, Etc., By or In The Right of The Corporation.* The Corporation shall
493 indemnify any person who was or is a party or is threatened to be made a party to any threatened,
494 pending or completed action or suit by or in the right of the Corporation to procure a judgment in
495 its favor by reason of the fact that the individual is or was a Trustee, officer, employee or agent
496 of the Corporation, or is or was serving at the request of the Corporation as a Trustee, officer,
497 employee or agent of another corporation, partnership, joint venture, trust or other enterprise
498 against expenses, including attorneys' fees, and amounts paid in settlement actually and
499 reasonably incurred in connection with the defense or settlement of the action or suit if the
500 Trustee, officer, employee or agent acted in good faith and in a manner reasonably believed to be
501 in or not opposed to the best interest of the Corporation; except that no indemnification shall be
502 made in respect of any claim, issue or matter as to which such person shall have been adjudged
503 to be liable for negligence or misconduct in the performance of the duty to the Corporation
504 unless and only to the extent that the court in which the action or suit was brought determines

505 upon application that, despite the adjudication of liability and in view of all the circumstances of
506 the case, the person is fairly and reasonably entitled to indemnity for such expenses which the
507 court shall deem proper.

508

509 Section 8c: *Determination of Right of Indemnification.* Any indemnification under
510 subsections 8a and 8b of this Article, unless ordered by a court, shall be made by the Corporation
511 only as authorized in the specific case upon a determination that indemnification of the Trustee,
512 officer, employee or agent is proper in the circumstances because the person has met the
513 applicable standard of conduct set forth in this Article VIII. The determination shall be made by
514 the Board of Trustees by a majority vote consisting of Trustees who were not parties to the
515 action, suit, or proceeding, or if such a quorum is not obtainable, or even if obtainable a quorum
516 of disinterested Trustees so directs, by independent legal counsel hired by the Board of Trustees
517 in a written opinion.

518

519 Section 8d: *Other Enterprises, Fines, and Serving at Corporation's Request.*
520 Notwithstanding any other provision of this Article, to the extent that a Trustee, officer,
521 employee or agent of the Corporation has been successful on the merits or otherwise in defense
522 of any action, suit, or proceeding referred to in subsections 8a and 8b of this Article, or in
523 defense of any claim, issue or matter therein, he shall be indemnified against expenses, including
524 attorneys' fees, actually and reasonably incurred by the individual in connection with the action,
525 suit, or proceeding.

526

527

528 Section 8e: *Prepaid Expenses.* Expenses incurred in defending a civil or criminal action,

529 suit or proceeding may be paid by the Corporation in advance of the final disposition of the
530 action, suit, or proceeding as authorized by the Board of Trustees in the specific case upon
531 receipt of an undertaking by or on behalf of the Trustee, officer, employee or agent to repay such
532 amount unless it shall ultimately be determined that the person is entitled to be indemnified by
533 the Corporation as authorized in this section.

534

535 Section 8f: *Other Rights and Remedies.* The indemnification provided by this Article
536 shall not be deemed exclusive of any other rights to which those seeking indemnification may be
537 entitled under sections 351.355, 355.471, 355.476 or 537.117 RSMo. any other provision of law,
538 the articles of incorporation or bylaws or any agreement, a vote of disinterested Trustees or
539 otherwise, both as to action in the person's official capacity and as to action in another capacity
540 while holding such office, and shall continue as to a person who has ceased to be a Trustee,
541 officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators
542 of such a person.

543

544 Section 8g: *Insurance.* The Corporation may purchase and maintain insurance on behalf
545 of any person who is or was a Trustee, officer, employee or agent of the Corporation or is or was
546 serving at the request of the Corporation as a Trustee, officer, employee or agent of another
547 corporation, partnership, joint venture, trust or other enterprise against any liability asserted
548 against the person and incurred in any such capacity, or arising out of the status as such, whether
549 or not the Corporation would have the power to indemnify the individual against such liability
550 under the provisions of this Article.

551

552 Section 8h: *Constituent Corporations*. For the purpose of this Article VIII, references to
553 "the Corporation" include all constituent corporations absorbed in a consolidation or merger as
554 well as the resulting or surviving corporation so that any person who is or was a Trustee, officer,
555 employee or agent of such a constituent corporation or is or was serving at the request of such
556 constituent corporation as a Trustee, officer, employee or agent of another corporation,
557 partnership, joint venture, trust or other enterprise shall stand in the same position under the
558 provisions of this Article with respect to the resulting or surviving corporation as the person
559 would if he or she had served the resulting or surviving corporation in the same capacity.

560

561 Section 8i: *Definitions*. For purposes of this Article VIII, the term "other enterprise"
562 shall include employee benefit plans; the term "fines" shall include any excise taxes assessed on
563 a person with respect to an employee benefit plan; and the term "serving at the request of the
564 Corporation" shall include any service as a Trustee, officer, employee or agent of the
565 Corporation which imposes duties on, or involves services by, such Trustee, officer, employee,
566 or agent with respect to an employee benefit plan, its participants, or beneficiaries; and a person
567 who acted in good faith and in a manner reasonably believed to be in the interest of the
568 participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a
569 manner "not opposed to the best interest of the Corporation" as referred to in this Article VIII.

570

571

Article IX

572

Miscellaneous

573

574 Section 9a: *Fiscal Year*. Unless otherwise fixed by the Board of Trustees, the fiscal year
575 of the Corporation shall begin on June 1 and end on the succeeding May 31.

576

577 Section 9b: *Annual Report*. The Corporation shall submit annually a copy of audited
578 financial statements to the League's Board of Directors.

579

580 Section 9c: *Corporate Seal*. The Board of Trustees shall provide a corporate seal, which
581 shall be in the form of a circle and shall have inscribed thereon the name of the Corporation and
582 the words "Corporate Seal, Missouri". The seal shall be stamped or affixed to such documents as
583 may be prescribed by law or custom or as directed by the Board of Trustees.

584

585 Section 9d: *Debts and Obligations of Corporation*. The Trustees and officers of the
586 Corporation shall not be personally liable for the debts or obligations of the Corporation of any
587 nature whatsoever, nor shall any of the property of the Trustees or officers be subject to the
588 payment of the debts or obligations of the Corporation to any extent whatsoever.

589

590 Section 9e: *Amendments*. These Bylaws may be altered, amended or repealed from time
591 to time by a majority vote of the Board of Trustees, subject to ratification by a majority vote of
592 the Board of Directors of the League.

593

594 Section 9f: *Construction*. Unless the context requires otherwise, words denoting the
595 singular may be construed as denoting the plural, and words denoting the plural may be
596 construed as denoting the singular, words of one gender may be construed as denoting another
597 gender as is appropriate within such context.

598

599

600 Section 9g: *By-Law Amendment And Tracking.*

601 The Bylaws of the Lutheran Hour Ministries Foundation were originally adopted on July 27,
602 2001.

603

604 i. On November 10, 2007 The LHM Foundation adopted amendments to the Bylaws
605 which were subsequently approved by the International Lutheran Laymen’s
606 League Board of Governors on January 19, 2008.

607

608 ii. On July 21, 2010 The LHM Foundation adopted amendments to the Bylaws
609 which were subsequently approved by the International Lutheran Laymen’s
610 League Board of Governors on July 23, 2010.

611

612 iii. On March 12, 2011 The LHM Foundation adopted amendments to the Bylaws
613 which were subsequently approved by the International Lutheran Laymen’s
614 League Board of Governors on April 16, 2011.

615

616 iv. On July 25, 2012 The LHM Foundation adopted amendments to the Bylaws
617 which were subsequently approved by the International Lutheran Laymen’s
618 League Board of Directors on July 26, 2012.

619

620

621 v. On October 20, 2016 The LHM Foundation adopted amendments to the Bylaws
622 which were subsequently approved by the International Lutheran Laymen’s
623 League Board of Directors on October 21, 2016.