

THE WALLACE FOUNDATION
AMENDED AND RESTATED BYLAWS
EFFECTIVE JUNE 18, 2014

ARTICLE I – BOARD OF DIRECTORS

1. Number, Powers, and Qualifications.

(a) The affairs of the Foundation shall be managed by a Board of Directors, which shall have all the powers and duties enumerated in the Not-for-Profit Corporation Law of the State of New York (“NPCL”). The size of the Board shall be fixed by the Board of Directors; provided that in no event shall the Board of Directors consist of fewer than eight or more than sixteen persons (not including any Director serving *ex officio*).

(b) All Directors must be at least twenty-one years of age and at least one shall be a citizen of the United States and a resident of the State of New York.

(c) The Directors shall elect a chair from among their number to serve for a term designated by the Board of Directors, or if no term is designated, until the next Annual Meeting of the Board of Directors.

2. Election and Term of Directors.

(a) At each Annual Meeting of Directors, Directors shall be elected to an annual term of office and shall hold office until the expiration of the term for which each is elected and until such Director’s successor has been elected and qualified.

(b) Anything in these Bylaws to the contrary notwithstanding, no person (except a Director serving *ex officio*) may be elected or re-elected a Director of the Foundation if at the time of such person’s election or re-election such person shall have attained the age of seventy-two years. Further, no person (except a Director serving *ex officio*) may be re-elected a Director of the Foundation if at the time of such person’s re-election such person shall have completed twelve years of service. The term of any Director (except a Director serving *ex officio*) who shall have attained the age of seventy two or completed twelve years of service while serving as a Director shall automatically terminate immediately prior to the commencement of the first Annual Meeting of Directors following such event.

3. Newly Created Directorships and Vacancies.

Vacancies occurring among the Directors for any reason, including the removal or retirement of a Director, may be filled by a vote of a majority of the Directors then in office, regardless of their number. A Director elected other than at an Annual Meeting of Directors to fill a vacancy shall

hold office until the next Annual Meeting of Directors and until such Director's successor is elected and qualified. For purposes of these Bylaws, the term "qualified" is defined by reference to the foregoing Article I, Section 2 and NPCL Section 703(b).

4. Annual Meeting. The Annual Meeting of the Board of Directors for the election of Directors, for presentation of the Annual Report prescribed by Article III of these Bylaws and for the transaction of such other business as may properly come before the meeting shall be held at such time and place, either within or without the State of New York, as shall from time to time be determined by a resolution of the Board of Directors. Notice of all annual meetings shall be given as provided in Article I, Section 7.

5. Regular Meetings. Regular meetings of the Board of Directors for the transaction of any business may be held at such time and place, either within or without the State of New York, as shall from time to time be determined by a resolution of the Board of Directors. A minimum of two regular meetings shall be held each year in addition to the Annual Meeting. Notice of all regular meetings shall be given as provided in Article I, Section 7. Business transacted at such regular meetings shall be limited to the ordinary business of the Foundation and those matters stated in the notice of meeting, unless all of the Directors are present or consent in writing either before or after the meeting to the transaction of other business.

6. Special Meetings. Special meetings of the Board of Directors may be called by the Chair, the President or one-third of the Directors and shall be held at the time and place, either within or without the State of New York, and for such purpose or purposes as shall be specified in writing by the person or persons calling the meeting, and the business transacted thereat shall be limited to those items stated in the notice of meeting unless all of the Directors are present or consent in writing (including by email) either before or after the meeting to the transaction of other business.

7. Notices.

(a) The Secretary shall cause notice of any annual, regular or special meeting to be given by mailing a copy thereof to each Director at least ten (10) days prior to the meeting addressed to him or her at his or her residence or usual place of business, or delivered personally or given by e-mail or telephone or other form of electronic communication, including facsimile transmission, upon each Director at least two days prior to the date of such meeting, provided that any meeting of the Board may be held without notice if all of the Directors then in office shall be present thereat, and no Director shall there object to such lack of notice. Notice of meeting need not be given to any Director who submits a signed Waiver of Notice in writing or electronically whether before or after the meeting or who shall be present at such meeting without protesting lack of notice thereof prior to such meeting or at its commencement. Failure by any Director to receive notice of any meeting sent in accordance with the provisions herein shall not invalidate the meeting or any decisions made by the Board at such meeting.

(b) Notice by mail shall be deemed delivered when the same is deposited in the United States mail, postage prepaid. Notice by overnight courier service shall be deemed delivered when the package is delivered to the courier service. Notice by facsimile, e-mail or other electronic mail shall be deemed delivered upon delivery to the recipient.

8. Action Without A Meeting. Any action required or permitted to be taken by the Board of Directors, or any committee thereof, may be taken without a meeting if all Directors or committee members, as the case may be, consent in writing (including electronically by email) to the adoption of a resolution authorizing the action. The resolution and the written consents thereto by the Directors or committee members of the Board shall be filed with the minutes of the proceedings of the Board or such committee.

9. Participation by Conference Telephone and Video Conference. Participation in a meeting of the Board of Directors, or any committee thereof, may take place by means of a conference telephone, video conference or similar communications equipment (including internet access) allowing all persons participating in the meeting to verbally object and to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

10. Quorum; Voting Requirements. Except as otherwise required by law or by the Certificate of Incorporation or by other certificate filed pursuant to law or by these Bylaws, at all meetings of the Board of Directors the quorum necessary for the transaction of business shall be a majority of the entire Board of Directors, and the vote of a majority of the Directors present shall be the act of the Board at a meeting at which there is a quorum. In the absence of a quorum, a majority of the Directors present or any Director solely present may adjourn any meeting from time to time until a quorum shall be present, at which time any business may be transacted which might have been transacted at the meeting as first convened had there been a quorum. Notice of the adjourned date shall be given to each Director in accordance with Article I, Section 7.

11. Resignation or Removal. Any Director may resign at any time and, unless otherwise stated therein, such resignation shall take effect upon receipt by the President or Secretary of written notice thereof. Any Director may be removed for cause at any meeting of Directors by the concurring vote of a majority of all the Directors, provided that the proposal to take such action shall have been stated in the notice of the meeting.

12. Committees. The Board of Directors, by resolution adopted by a majority of the entire Board, may designate from among its members an executive committee, an investment committee, an audit committee, a governance and compensation committee and other committees, each consisting of three or more Directors. Such committees, to the extent provided in said resolution and not restricted by law, shall have and exercise the authority of the Board in the management of the Foundation (including, if so granted, the authority to delegate such of its functions and authority to one or more officers, employees or agents of the Foundation); but the designation of such committees and the delegation thereto of authority shall not operate to relieve the Board, or any individual Director, of any non-delegable responsibility imposed upon it or such Director by law. Each such committee shall serve at the pleasure of the Board of Directors. A majority of the whole committee shall constitute a quorum for the transaction of all business that may properly come before it, and all questions shall be decided by the vote of a majority of the committee members present at a meeting for which there is a quorum. Each committee member shall be selected by and serve at the pleasure of the Board of Directors. Any member of the committee who shall cease to be a Director of the Foundation shall also cease to be a member of the committee. Upon a Director ceasing to be a member of a committee for any

reason, the Board of Directors may designate a successor member. All members of the committee may be designated or elected to succeed themselves. Committees shall prepare minutes of their meetings which shall be available to all Directors of the Foundation.

ARTICLE II – OFFICERS

1. Appointment.

(a) The Board of Directors at its Annual Meeting shall appoint a Chair, President, Corporate Secretary, and Treasurer, and may also appoint one or more and such other officers, including a chief financial officer, a chief investment officer, an Assistant Secretary and an Assistant Treasurer, as it may deem proper. Officers whose authority and duties are not prescribed in these Bylaws shall have the authority and perform the duties prescribed, from time to time, by the Board. Any two offices, except those of the President and Secretary, may be filled by the same persons.

(b) Officers may be appointed by the concurring vote of a majority of the entire Board of Directors.

2. **Term of Office.** The officers shall hold office at the pleasure of the Board of Directors. Any officer may resign at any time and, unless otherwise stated therein, such resignation shall take effect upon receipt by the Foundation of written notice thereof. Any officer may be removed from office at any time without cause being assigned by the concurring vote of a majority of the entire Board of Directors. Vacancies in any offices may be filled at any meeting of the Board of Directors or in accordance with the provisions of Article I, Section 8.

3. **The Chair.** The Chair shall be the lead Director of the Board of Directors, with overall responsibility for leading the Board of Directors in its oversight of the management and strategic direction of the business and affairs of the Foundation, as well as such other duties as may be assigned by the Board of Directors. The Chair shall preside at all meetings of the Directors and of the Executive Committee. Except where by law the signature of the President is required, the Chair shall possess the same power as the President to sign all checks, certificates, contracts, and other instruments of the Foundation which may be authorized by the Board of Directors.

4. The President. The President shall be the Chief Executive Officer of the Foundation and shall report to the Chair and the Board of Directors. The President shall be an *ex officio* member of the Board of Directors with full voting rights and shall retain such board membership during each term of office as President. The President shall be responsible for the active direction of the daily business and affairs of the Foundation, and shall have such other duties as may be assigned by the Board of Directors. Except in those instances in which the authority to execute is expressly delegated to another officer or agent of the Foundation or a different mode of execution is expressly prescribed by the Board or these Bylaws, the President may execute for the Foundation any contracts, deeds, mortgages, bonds, tax and other governmental filings, or other instruments which the Board has authorized to be executed, and may accomplish such execution either under or without the seal of the Foundation and either individually or with the Secretary or any other officer thereunto authorized by the Board according to the requirements of the form of the instrument. The President, together with such officials as may be appointed by resolution of the Board of Directors for that purpose, shall have authority to sign checks. The President shall, in the absence of the Chair, preside at all meetings of the Directors of the Foundation and of the Executive Committee. The President shall bring such matters to the attention of the Board of Directors, or its Chair, as are appropriate to keep the Directors fully informed to meet their fiduciary responsibilities.

5. The Secretary. The Secretary shall: give or cause to be given all notices required to be given to Directors; attend all meetings of the Board of Directors and record the proceedings of each such meeting in an appropriate minute book; keep in safe custody the seal of the Foundation and affix the same to any instrument when duly authorized so to do and attest the same; and perform all other duties pertaining to that office or properly required by the Board.

6. The Treasurer. The Treasurer shall: have custody of funds and securities of the Foundation, except as otherwise provided by the Board of Directors; deposit all monies and other valuable effects in the name and to the credit of the Foundation in such depositories as may be designated by the Board; disburse the funds of the Foundation as may be ordered by the Board; cause full and accurate accounts of receipts and disbursements to be kept; and render to the President and the Directors, whenever they may require it, an account of all transactions as Treasurer and of the financial condition of the Foundation. The Board of Directors may require

that the Treasurer execute a fidelity bond satisfactory to it as to amount, form and surety or sureties.

7. Assistant Secretary. The Assistant Secretary shall, in the absence of the Secretary, have the authority to act with the powers and duties of the Secretary.

8. Assistant Treasurer. The Assistant Treasurer shall, in the absence of the Treasurer, have the authority to act with the powers and duties of the Treasurer.

9. Duties of Officers May Be Delegated. In case of the absence of any officer or for any other reason that the Board may deem sufficient, the Board of Directors or the President may delegate for the time being the powers or duties of such officer to any other officer or to any Director.

ARTICLE III – ANNUAL REPORT

The Board of Directors shall direct the President and Treasurer to present at the Annual Meeting of Directors a written report, verified by the President and Treasurer or by a majority of the Directors, showing in appropriate detail (i) the assets and liabilities, including the trust funds, of the Foundation as of the end of a twelve month fiscal period terminating no more than six months prior to said meeting; (ii) the principal changes in assets and liabilities, including trust funds, during said fiscal period; (iii) the revenue or receipts of the Foundation, both unrestricted and restricted to particular purposes during said fiscal period; and (iv) the expenses or disbursements of the Foundation, for both general and restricted purposes, during said fiscal period. An abstract or copy of this report shall be entered in the minutes of the Annual Meeting of Directors and the report itself shall be filed with the records of the Foundation. The requirements herein may, but need not, be satisfied by an annual financial report prepared by the Foundation's independent public accountants.

**ARTICLE IV – INDEMNIFICATION OF OFFICERS
AND DIRECTORS; INSURANCE**

1. Standing Indemnification.

(a) Except to the extent expressly prohibited by the New York Not-for Profit Corporation Law, the Foundation shall indemnify each present and former Director and officer of the Foundation, or the personal representatives of any thereof, who is made or threatened to be made a party to any action or proceeding, whether civil or criminal, by reason of the fact that such person (or such person's testator or intestate) is or was a Director or officer or served, at the request of the Foundation, any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise in any capacity, against judgments, fines, amounts paid in settlement and reasonable expenses, including attorneys' fees incurred in connection with such action or proceeding, or any appeal therein (including any action by or in the right of the Foundation or any such other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise); provided that no such indemnification shall be made if a judgment or other final adjudication adverse to such person establishes that such person's acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or that such person personally gained in fact a financial profit or other advantage to which such person was not legally entitled.

(b) To the fullest extent permitted by applicable law, the Foundation shall reimburse or advance to any person referred to in Subsection (a) of this Section 1, all expenses, including attorneys' fees, reasonably incurred by such person in connection with any action or proceeding of the kind referred to in Subsection (a) of this Section 1, upon receipt, if and to the extent required by applicable law, of a written undertaking by or on behalf of such person to repay such amounts if such person is ultimately found not to be entitled to indemnification under this Article IV or otherwise or, where indemnification is granted, to the extent the expenses so advanced or reimbursed exceed the amount to which such person is entitled, provided that such person shall cooperate in good faith with any request of the Foundation that common counsel be used by parties to an action or proceeding who are similarly situated unless to do so would be inappropriate because of actual or potential differing interests between such parties.

2. Indemnification by Resolution. The Foundation, by a resolution of its Board of Directors, or any agreement approved by the Board of Directors, with any of its Directors, officers, employees or volunteers providing therefor, may, to the fullest extent permitted by applicable law, indemnify and reimburse or advance expenses to any person (but nothing herein shall limit the rights of any such person under Section 1), it being expressly intended that this Section 2 authorizes the Board of Directors to create rights to indemnification or reimbursement or advancement of expenses in such manner to the fullest extent permitted by applicable law.

3. Application. A person for whom indemnification or the reimbursement or advancement of expenses is provided for in or under this Article IV may elect to have the indemnification (or reimbursement or advancement of expenses) provisions hereof interpreted on the basis of the applicable law in effect at the time of the occurrence of the event or events giving rise to the action or proceeding, to the extent permitted by law, or on the basis of the applicable law in effect at the time indemnification (or reimbursement or advancement of expenses) is provided or sought.

4. Enforcement.

(a) The right to be indemnified or to the reimbursement or advancement of expenses pursuant to Section 1 of this Article IV or a resolution or agreement authorized pursuant to Section 2 of this Article IV, (1) is a contract right pursuant to which the person entitled thereto may bring suit as if the provisions hereof (or of any such resolution or agreement) were set forth in a separate written contract between the Foundation and such person, and (2) shall continue to exist after any rescission or restrictive modification hereof or of any such resolution or agreement with respect to events occurring prior thereto. The Foundation shall not be obligated under this Article IV (including any resolution or agreement authorized by Section 2 of this Article IV) to make any payment thereunder (or under any such resolution or agreement) to the extent the person seeking indemnification hereunder (or under any resolution or agreement) has actually received payment (under any insurance policy, resolution, agreement or otherwise) of the amounts otherwise indemnifiable hereunder (or under any such resolution or agreement). Furthermore, the Foundation shall be entitled to an assignment of any benefits payable to any person under any insurance policy, whether or not the premiums in such policy have been paid

by the Foundation to the extent of any reimbursement paid or advanced made by the Foundation under Section 1 or 2 of this Article.

(b) If a request to be indemnified or for the reimbursement or advancement of expenses pursuant to Section 1 or a resolution or agreement authorized by Section 2 of this Article IV is not paid in full by the Foundation within thirty (30) days after a written claim has been received by the Foundation therefor, the claimant may at any time thereafter bring suit against the Foundation to recover the unpaid amount of the claim and, if successful in whole or in part, the claimant shall be entitled also to be paid the expenses of prosecuting such claim. The failure of the Foundation (including its Board of Directors or independent legal counsel) to have made a determination prior to the commencement of such action that indemnification of or reimbursement or advancement of expenses to the claimant is proper in the circumstances shall not create a presumption that the claimant is not so entitled.

5. General.

(a) The indemnification or reimbursement or advancement of expenses granted pursuant to or provided by the provisions of this Article IV shall be in addition to and shall not be exclusive of any other rights to indemnification and reimbursement or advancement of expenses to which such person may otherwise be entitled by law, insurance policy, contract or otherwise.

(b) The Foundation may, but is not required to, purchase directors' and officers' liability insurance. To the extent permitted by law, such insurance may insure the Foundation for any obligation it incurs as a result of this Article IV or by operation of law, and it may insure directly the Directors or officers or other employees or volunteers of the Foundation, for liabilities (if any) against which they are not entitled to indemnification under this Article IV as well as for liabilities against which they are entitled or permitted to be indemnified by the Foundation.

(c) For purposes of this Article IV, the term "the Foundation" shall include any legal successor to the Foundation, including any corporation or other entity which acquires all or substantially all of the assets of the Foundation in one or more transactions.

(d) Notwithstanding anything else in this Article IV, the Foundation shall not make any payment pursuant to this Article IV to or for the benefit of any person, to the extent of the amount of such payment that would result in the imposition of an excise tax under Chapter 42 of the Internal Revenue Code of 1986, as amended.

ARTICLE V – MISCELLANEOUS

1. Waiver of Notice. Whenever the Foundation or the Board of Directors is authorized to take any action after notice to its Directors or after the lapse of a prescribed period of time, such action may be taken without notice and without the lapse of any period of time if such action be authorized or approved and if, at any time before or after such action be completed, such requirements be waived in writing by the person or persons entitled to said notice or to participate in such action.

2. Compensation of Directors and Officers. Directors and corporate officers appointed by the Board shall receive such compensation, if any, as shall be authorized by the Board of Directors, or in the case of officers other than the President, as may be delegated by the Board of Directors to the Governance and Compensation Committee, or such other committee as the Board shall designate, or the President.

3. Seal. The seal of the Foundation shall be circular in form and contain the name of the Foundation, the year of its organization and the words “CORPORATE SEAL, NEW YORK.”

4. Fiscal Year. The fiscal year of the Foundation shall commence on the first day of each calendar year.

5. Books. There shall be kept at the office of the Foundation correct books of account of the activities and transactions of the Foundation, including the minute book, which shall contain a copy of the Certificate of Incorporation, a copy of the By-Laws and minutes of meetings of the Board of Directors.

ARTICLE VI – AMENDMENT

Any provision of these Bylaws may be added to or amended or repealed by the Board of Directors at any meeting of the Board of Directors, upon the vote of at least a majority of all the Directors; provided, however, that any amendment which changes any quorum requirement or the vote required by any provision of these Bylaws shall require the vote of at least two-thirds of all the Directors.