

# Bylaws

## ARTICLE I OFFICES

The principal office for the transaction of business for the Corporation shall be located in the City and County of San Francisco, California.

## ARTICLE 2 FISCAL YEAR

The fiscal year of the Corporation shall run from October 1 through September 30.

## ARTICLE 3 MEMBERSHIP

**Section 1. Classification of Members.** This corporation shall have one class of members with voting rights as specified in these Bylaws. The qualifications or eligibility requirements for membership and the rights and obligations of members shall be as provided in these Bylaws or under applicable law. The Board of Directors may, by resolution, establish one or more categories of non voting associates who may be referred to as "members", and provide for their rights and obligations (including the obligation to pay dues); however, the terms "member" and "membership" as used in these Bylaws, shall refer only to voting members.

**Section 2. Qualifications for Membership.** Membership shall be open to any individual who (1) is of legal age to enter into a binding contract; and (2) subscribes to the purposes of the Corporation; and (3) informs the Corporation of their legal name and address.

**Section 3. Admittance of Members.** Any application for membership must be made in writing and may be submitted to the Board of Directors at any time. The Board or a person or committee authorized by the Board will review each application and, if appropriate, certify that the applicant meets the qualifications for membership in accordance with Section 1 and 2 above. Membership shall commence upon such certification and upon payment of any required dues.

**Section 4. Membership Dues.** Each member must pay to this Corporation, within the time and on the conditions set by the Board, dues and fees in amounts to be fixed from time to time by the Board. Such dues and fees shall be equal for all members of this Corporation. The Board may determine the conditions under which any payment of dues shall be refundable.

**Section 5. Assessment.** Membership in this Corporation shall not be assessable.

**Section 6. Good Standing.** Those members who have paid the required dues and fees, if any, and who are not suspended, shall be members in good standing of this Corporation.

**Section 7. Membership Roster.** This Corporation shall keep a membership roster containing the name of each member and the last address provided to this corporation by the member for purposes of notice. The roster shall indicate whether a member is in good standing from time to time.

**Section 8. Nonliability of Members.** No member of this Corporation shall be personally liable for the debts, liabilities, or obligations of this Corporation.

**Section 9. Transferability of Memberships.** Membership in this Corporation, or any right arising therefrom, may not be transferred or assigned. Any attempted transfer shall be void.

**Section 10. Termination of Membership.** Membership in the Corporation shall continue until terminated as provided in this Section, or until the member dies, or resigns in writing delivered to the Secretary or President of this Corporation. No such resignation shall relieve the resigning member of any financial obligations of such member to this Corporation.

**A. Basis for Termination.** Membership in the Corporation shall terminate upon the occurrence of any of the following events or conditions.

**i. Expiration.** If a membership is issued for a period of time, such membership shall terminate when such period of time has elapsed, unless such member elects to renew the membership.

**ii. Failure to Qualify.** On a good faith finding by the Board of Directors, made in accordance with this Section, that a member no longer meets the qualifications set forth in Article 3 Sections 1 and 2, such member's membership in this corporation shall terminate.

**iii. Interests of Corporation.** On a good faith finding by the Board of Directors, made in accordance with this Section, that continued participation by the member in this Corporation as a member is not in the best interests of this Corporation, such member's membership in this Corporation shall terminate.

**B. Termination Procedures.** In the case of proposed termination of a membership under subsection A ii or iii above, the following procedures shall apply.

**i. Notice.** This Corporation shall send a written notice to the member, setting forth the proposal for termination, the reasons for it, the date on which the proposed termination shall become effective, and the date, time, and place of the hearing described in the next subsection. Such notice shall be sent at least fifteen days before the proposed date of termination, and at least ten days before the date set for the hearing, by first class or registered mail, to the last address provided by the member to the Corporation for purposes of notice.

**ii. Hearing.** The member shall be given an opportunity to respond, either orally or in writing, not less than five days before the effective date of the proposed termination, to the Board or the person or committee authorized by the Board to decide whether the proposed termination will take place. If the member does not appear and has not notified the Secretary of any adequate reason therefor, or chooses not to appear at the hearing, the termination shall be effective immediately on the proposed date of termination.

**iii. Determination.** Following the hearing date, the Board (or the person or committee authorized by the Board to decide whether the proposed termination will take place) shall decide whether or not the member should in fact be terminated, suspended, or sanctioned in some other way. That decision shall be final, and the member shall be promptly notified of it. If a member is terminated hereunder, all membership rights of such member on the Corporation shall cease on the effective date of the termination stated in the notice given pursuant to Section B. i. above.

**iv. Refund.** The Board may determine whether any person whose membership has been terminated or suspended shall receive a refund of any dues already paid. Any refund shall be prorated to return only the accrued balance remaining for the period of the dues payment.

## **ARTICLE 4 MEMBERSHIP RIGHTS**

**Section 1. Voting Rights.** Subject to these Bylaws and this Corporation's other policies and procedures, members of this Corporation shall have the right to vote, as set forth in these Bylaws, on:

- (a) the election of directors;
- (b) the removal of directors pursuant to Section 5222 of the California Nonprofit Public Benefit Corporation Law;
- (c) any amendment to these Bylaws, and all amendments to the Articles of Incorporation of this Corporation, except for amendments permitted to be adopted by the Board of Directors alone under Section 5812(b) of the California Nonprofit Public Benefit Corporation Law;
- (d) the disposition of all or substantially all of the assets of this Corporation;
- (e) any merger of this Corporation;
- (f) any dissolution of this Corporation; and
- (g) any other matters that may be presented to members to vote, pursuant to this Corporation's Articles, Bylaws, or action by the Board of Directors, or by operation of law.

### **Section 2. Inspection Rights.**

**A. Articles and Bylaws.** This Corporation shall keep at its principal office in California current copies of the Articles of Incorporation and Bylaws of this Corporation, which shall be open to inspection by members at all reasonable times. If this Corporation has no principal office in California, the Secretary shall furnish such copies to any member on written request therefor.

**B. Accounting Records; Minutes.** On written request, any member (in person or through an agent or attorney) may inspect and copy the accounting books and records of this Corporation and the minutes of the proceedings of the members, the Board, or any Board or Advisory Committee, at any reasonable time and for a purpose reasonably related to the member's interests as a member.

**C. Membership Records.** The right of members to have access to membership records of this Corporation shall be governed by Sections 6330 through 6332 of the California Nonprofit Public Benefit Corporation Law.

**Section 3. Other Rights.** In addition to the rights described in these Bylaws, members of this Corporation shall have any other rights afforded voting members under the California Nonprofit Public Benefit Corporation Law.

## **ARTICLE 5 MEMBER MEETINGS AND VOTING**

**Section 1. Member Voting.** Each member in good standing shall have one vote on each matter on which members are entitled to vote. Unless modified by resolution of the Board of Directors under Section 5 B, C, or D, the member must have qualified for membership 60 days prior to any meeting at which voting rights shall be exercised.

**Section 2. Annual Member Meetings.** An annual meeting of the membership will be held at a date, place, and time determined by the Board of Directors, for the purpose of electing directors and transacting such business as may come before the meeting.

**Section 3. Regular Meetings.** Regular meetings shall take place on the dates and times set by annual calendar, recommended by the Board and ratified by the membership at its annual meeting.

### **Section 4. Special Meetings.**

**A. Who May Call.** Special meetings of the members may be called (1) by the Board of the Directors or the President, or (2) on the written request of five percent of the membership.

**B. Procedures For Calling Special Meetings Requested by Members.** If a special meeting is called by members, the requesting members shall deliver a written notice specifying the general nature of the business proposed to be transacted, either personally or by registered mail or by facsimile transmission, to the President any Vice President, or the Secretary of this Corporation. The requested meeting will be held not less than thirty-five, nor more than ninety, days following the receipt of the request. If appropriate notice of such a meeting is not given within twenty days after delivery of the request, the requesting members may give the notice. Nothing contained in this subsection shall be construed as limiting, fixing, or affecting the time of any meeting of members called by the Board of Directors or the President.

**Section 5. Record Dates.** For any notice, vote (at a meeting or by written ballot), or exercise of rights, the Board of Directors may, in advance, by resolution, fix a record date, and only members of record on the date so fixed shall be entitled to notice, vote, or exercise rights, as the case may be. For this purpose, a person holding a membership as of the close of business on the record date shall be deemed a member of record.

**A. Notice of Meetings.** Unless otherwise fixed by the Board of Directors, the record date for the purpose of determining which members are entitled to notice for that members' meeting, shall be the business day preceding the date on which notice for that meeting is given. If the Board, by resolution, fixes a record date for notice, the record date shall not be less than ten, nor more than ninety, days before the date of that meeting.

**B. Voting at Meetings.** Unless otherwise fixed by the Board of Directors, the record date for the purpose of determining which members are entitled to vote at any members'

meeting, shall be the day of that meeting. If the Board, by resolution, fixes a record date for voting, the record date shall not be more than 60 days before the date of the meeting.

**C. Voting by Written Ballot.** Unless otherwise fixed by the Board of Directors, the record date for the purpose of determining which members are entitled to vote by written ballot shall be the day on which the first written ballot is mailed or solicited. If the Board, by resolution, fixes a record date for voting, the record date shall not be more than 60 days before the day on which the first written ballot is mailed or solicited.

**D. Other Lawful Action.** Unless otherwise fixed by the Board of Directors, the record date for the purpose of determining which members are entitled to exercise any rights in respect to any other lawful action, shall be the date on which the Board adopts the resolution relating thereto or the sixtieth day before the date of such other action, whichever is later. If the Board, by resolution, fixes a record date for determining entitlement, the record date shall not be more than sixty days before the date of such other action.

**Section 6. Time and Manner of Notice of Meetings.** The Secretary shall give notice of each members meeting to each member who, as of the record date for notice of the meeting, would be entitled to vote at such meeting. The notice shall be delivered to the last address provided by the member to this corporation (for purposes of notice, either personally or by telegram, telephone, facsimile transmission, or first-class, registered, or certified mail) not less than ten nor more than ninety days before the date of such meeting, or by other mail not less than twenty nor more than ninety days before the date of such meeting.

**Section 7. Contents of Notice.** The notice shall state the place, date, and time of the meeting and (a) in the case of special meetings, the general nature of the business to be transacted, and no other business may be transacted; or (b) In the case of the annual meeting, the names of all those who are nominees for director as of the date of the notice, and those matters which the Board, as of the date of the notice, intends to present for action by the members, but any proper matter may be presented at the annual meeting for such action.

**Section 8. Notice of Certain Actions Required.** Unless the vote of the membership shall be unanimous, any of the following votes shall be valid only if the general nature of the action approved was stated in the notice of the meeting at which the vote occurred: (a) to remove a director without cause, (b) to fill a vacancy on the Board, (c) to amend this Corporation's Articles of Incorporation, or (d) to voluntarily dissolve this Corporation.

**Section 9. Member Quorum.** One third of the memberships then in effect or a number equal to a quorum of the Board of Directors presently in office, shall constitute a quorum of the members. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of enough members to leave less than a quorum, so long as any action taken thereafter is approved by at least a majority of the required quorum.

**Section 10. Act of the Members.** Every decision or act made or done by a majority of voting members present and voting at a duly held meeting at which a quorum is present is the act of the members, unless the law, the Articles of Incorporation of this Corporation, or these Bylaws require a greater number.

**Section 11. Manner of Voting.**

**A. Voting at Meetings.** Voting at meetings may be by show of hands or by secret ballot, provided that any election of directors, and any other vote designated by the chair

of the meeting, at their discretion, or requested by ten percent of the voting power present at the meeting, shall be conducted by secret ballot.

**B. Proxy Voting Prohibited.** Proxy voting shall not be permitted on any matter put to the vote of the members.

**C. Cumulative Voting Prohibited.** Cumulative voting shall be prohibited.

**D. Action by Written Ballot Without a Meeting.**

**i. General.** Any action required or permitted to be taken by members at a meeting may be submitted for a vote by written ballot pursuant to this Section without a meeting.

**ii. Content of Written Ballots.** Any written ballot distributed to the members to vote on a matter shall set forth the proposed action and provide an opportunity to specify approval or disapproval of the proposal.

**iii. Time for Return of Ballots.** All written ballots shall provide a reasonable time within which to return them to this Corporation and each ballot shall state on its face or in an accompanying notice the date by which it must be returned in order to be counted.

**iv. Requirements for Valid Action.** Approval by written ballot shall be valid only when the number of votes cast by ballot within the time period specified equals or exceeds the required quorum set forth in these Bylaws, and the number of approvals equals or exceeds the number of votes that would be required to approve the action if the vote were taken at a meeting of the members.

**v. Solicitation Rules.** Written ballots shall be solicited in a manner consistent with the requirements for notice of members' meetings. All solicitations of written ballots shall indicate the number of responses needed to meet the quorum requirement for valid action and shall state the percentage of affirmative votes necessary to approve the measure submitted for membership approval.

**vi. Revocation of Written Ballots.** If a member who has cast a written ballot desires to change his or her vote, the member may do so provided he or she so notifies the Secretary of this Corporation in writing prior to close of the balloting period and casts a new ballot within the balloting period.

**E. Election Ballots.** Any ballot used in the election of directors shall set forth the names of the candidates who have been properly nominated.

## **Section 12. Waiver of Notice or Consent by Members.**

**A. General.** Any action of the members taken at a meeting where a quorum is present but for which proper notice was not given, will be valid if, either before or after the meeting, each member entitled to vote who was not present at the meeting signs (i) a written waiver of notice, (ii) a consent to holding the meeting, or (iii) an approval of the minutes. The waiver of notice need not specify the purpose or general nature of business to be transacted at such meeting unless action is taken or proposed to be taken on matters specified in Section 8 of this Article, in which case the waiver of notice must state

the general nature of the matter. All such waivers, consents, or approvals shall be filed with the minutes of the meeting.

**B. Effect of Attendance at Meeting.** Attendance by a member at a meeting shall also constitute a waiver of notice of that meeting, unless the member attends for the sole purpose of objecting at the beginning of the meeting to the transaction of any business due to the inadequacy or illegality of the notice. Attendance at a meeting is not a waiver of any right to object to the consideration of matters not included in the notice of the meeting which are required to be described therein pursuant to Section 8 of this Article, if that objection is expressly made at the meeting.

**Section 13. Action by Unanimous Written Consent.** Any action required or permitted to be taken by the members at a meeting, may be taken without a meeting if all members shall individually or collectively consent in writing to the action. If action is taken by written consent, the consent(s) shall be filed with the corporate minutes.

## **ARTICLE 6 BOARD OF DIRECTORS**

**Section 1. Corporate Powers; Exercise by Board.** This Corporation shall have powers to the full extent allowed by law. All powers and activities of this Corporation shall be exercised and managed by the Board of Directors of this Corporation directly or, if delegated, under the ultimate direction of the Board.

**Section 2. Number and Qualification of Directors.** The number of directors shall not be less than three nor more than fifteen, with the exact number of authorized directors to be fixed from time to time by resolution of the Board of Directors. Directors of this Corporation must be members of this Corporation in good standing at the time of their election.

**Section 3. Limitations on Interested Persons.** At all times, not more than forty-nine percent of the directors of this Corporation may be interested persons. An interested person means either:

(a) any person currently being compensated by this Corporation for services rendered to it within the previous twelve months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a director in his or her capacity as director; or

(b) any brother, sister, ancestor, descendant, spouse, domestic partner, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any such person.

**Section 4. Nomination of Directors. General Nominations Procedures.** Nominations for directors shall be opened at the July General Planning Meeting and close at the August General Planning Meeting. Subject thereto, nominations may be made in person at any General Planning Meeting or in writing at any General Planning Meeting or mailed to the offices of the corporation postmarked by the closing date for nominations

**Section 5. Election and Term of Office of Directors.** One third of the incumbent directors shall be placed on the ballot for reelection at each Annual Meeting of the members. If all of the vacancies are not filled at the Annual Meeting, directors may be elected at any special meeting of the members or by written ballot.

**Section 6. Vacancies.** A vacancy shall be deemed to exist on the Board in the event that the actual number of directors is less than the authorized number for any reason. Vacancies may be filled by the remaining directors (unless the vacancy was created by removal of a director by the members) or by the members. Such a director shall be placed on the ballot at the next Annual Meeting and shall not otherwise be considered an "incumbent director" for the purposes of Section 5 of this Article.

**Section 7. Resignation and Removal of Directors.** Resignations shall be effective upon receipt in writing by the President or the Secretary of this Corporation, unless a later effective date is specified in the resignation. The members may remove any director at any time, with or without cause. If there are fewer than fifty members, the vote of a majority of all members shall be required to remove a director. A director may also be removed by resolution of the Board if, on a good faith finding by the Board, the director in question shall be in breach of his/her obligations under his/her Board Agreement (or similar policy) which s/he shall have undertaken to adhere to.

**Section 8. Annual Board Meetings.** A meeting of the Board of Directors shall be held at least once a year. Annual meetings shall be called by the President or any two directors, and noticed in accordance with Section 10 of this Article.

**Section 9. Regular Board Meetings.** Regular meetings of the Board shall be held monthly.

**Section 10. Special Board Meetings.** Special meetings of the Board of Directors may be called by the President or any two directors, and noticed in accordance with Section II of this Article.

**Section 11. Notice.** Notice of the Annual Meeting, any special meetings, or any change in date, place, or time of a previously scheduled regular meeting of the Board of Directors shall be given to each director at least four days before any such meeting if given by first-class mail or forty-eight hours before any such meeting if given personally or by telephone, including a voice messaging system or other system or technology designed to record and communicate messages, telegraph, facsimile, electronic mail, or other electronic means, and shall state the date, place, and time of the meeting.

**Section 12. Waiver of Notice.** The transactions of any meeting of the Board of Directors, however called and noticed and wherever held, shall be valid as though taken at a meeting duly held after proper call and notice, if a quorum is present and if, either before or after the meeting, each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. All waivers, consent, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting the lack of adequate notice before the meeting or at its commencement.

**Section 13. Quorum.** A majority of the total number of directors then in office shall constitute a quorum, provided that in no event shall the required quorum be less than one fifth of the authorized number of directors or two directors, whichever is larger. The act of a majority of the Board of Directors, except as otherwise provided in Article 6, Sections 6 and 14; Article 7, Section 1; Article 9, Section 3; Article 10, Section 2; and Article 12, Section 4, of these Bylaws or in the California Nonprofit Public Benefit Corporation Law. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for such meeting.

**Section 14. Action Without a Meeting.** Any action required or permitted to be taken by the Board may be taken without a meeting if all members of the Board (other than any director



interested in a transaction so approved) shall individually or collectively consent to such action. Such written consents shall be filed with the minutes of the proceedings of the Board. Such written consents shall have the same force and effect as the unanimous vote of such directors.

**Section 15. Telephone and Electronic Meetings.** Directors may participate in a meeting through use of conference telephone, electronic video screen communication, or other communications equipment so long as all of the following apply:

- (a) each director participating in the meeting can communicate with all of the other directors concurrently;
- (b) each director is provided with the means of participating in all matters before the Board, including the capacity to propose, or to interpose an objection to, a specific action to be taken by the Corporation; and
- (c) this Corporation verifies that (i) a person communicating by telephone, electronic video screen, or other communications equipment is entitled to participate in the Board meeting as a director, or by invitation of the Board or otherwise, and (ii) all motions, votes, or other actions required to be made by a director were actually made by a director and not by someone who is not entitled to participate as a director.

**Section 16. Standard of Care.**

**A. General.** A director shall perform the duties of a director including duties as a member of any Board Committee on which the director may serve, in good faith, in a manner such director believes to be in the best interest of this Corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like situation would use under similar circumstances.

In performing the duties of a director, a director shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by:

- (i) one or more officers or employees of this Corporation whom the director believes to be reliable and competent as to the matters presented;
- (ii) counsel, independent accountants, or other persons as to matters the director believes to be within such person's professional or expert competence; or
- (iii) a Board Committee upon which the director does not serve, as to matters within its designated authority, provided that the director believes such Committee merits confidence; so long as in any such case, the director acts in good faith after reasonable inquiry when the need therefor is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

Except as provided in Article 9 below, a person who performs the duties of a director in accordance with this Section shall have no liability based upon any failure or alleged failure to discharge that person's obligations as a director, including, without limiting the generality of the foregoing, any actions or omissions which exceed or defeat a public or charitable purpose to which this Corporation, or assets held by it, are dedicated.

**B. Investments.** Except with respect to assets held for use or used directly in carrying out this Corporation's charitable activities, in investing, reinvesting, purchasing or acquiring, exchanging, selling, and managing this Corporation's investments, the Board shall avoid speculation, looking instead to the permanent disposition of the funds, considering the probable income as well as the probable safety of this Corporation's capital. No investment violates this section where it conforms to provisions authorizing such investment contained in an instrument or agreement pursuant to which the assets were contributed to this Corporation.

**Section 17. Director Inspection Rights.** Every director shall have the absolute right at any reasonable time to inspect and copy all books, records, and documents, and to inspect the physical properties of this Corporation.

**Section 18. Compensation of Directors.** The Board of Directors may authorize, by resolution, the payment to a director of a reasonable fee for services and expenses as a director and for attending meetings of the Board and Board Committees, as permitted under California Nonprofit Public Benefit Corporation Law.

## **ARTICLE 7 COMMITTEES**

**Section 1. Board Committees.** The Board of Directors may, by resolution adopted by a majority of the directors then in office, create any number of Board Committees, each consisting of two or more directors, to serve at the pleasure of the Board. Appointments to any Board Committee shall be by a majority vote of the directors then in office. Board Committees may be given all the authority of the Board, except for the powers to:

- (a) set the number of directors within a range specified in these Bylaws;
- (b) fill vacancies on the Board of Directors or on any Board Committee;
- (c) fix compensation of directors for serving on the Board or any Board Committees
- (d) amend or repeal these Bylaws or adopt new Bylaws;
- (e) approve amendments to the Articles of Incorporation of this Corporation.
- (f) amend or repeal any resolution of the Board of Directors which by its express terms is not so amendable or repealable;
- (g) create any other Board Committees or appoint the members of any Board Committees;
- (h) approve any merger, reorganization, voluntary dissolution, or disposition of substantially all of the assets of this Corporation;
- (i) make a decision or act (or omit to act) in any way so as to bind (legally or otherwise) the Corporation, the Board of Directors, the Executive Committee, an Officer, or any other committee, except and insofar as expressly authorized in writing by either the Board of Directors or Executive Committee;

(j) authorize any expenditure or accept any donation, sponsorship, or other transfer of property (cash or otherwise), except and insofar as expressly authorized in writing by either the Board of Directors or Executive Committee.

Where it is not reasonably practicable to obtain approval of the Board before entering into a self-dealing transaction, a Board Committee may approve such transaction in a manner consistent with the requirements of Section 3 of Article 9 of these Bylaws, provided that, at its next meeting, the full Board determines in good faith that the Board Committee's approval of the transaction was consistent with the requirements in Section 3 of Article 9 and that it was not reasonably practical to obtain advance approval by the full Board, and ratifies the transaction by a majority of the directors then in office without the vote of any interested director.

**Section 2. Advisory Committees.** The Board of Directors may establish one or more Advisory Committees to the Board. The members of any Advisory Committee may consist of directors or non-directors and may be appointed as the Board determines. Advisory committees may not exercise the authority of the Board to make decisions on behalf of this corporation, but shall be restricted to making recommendations to the Board or Board Committees, and implementing Board or Board Committee decisions and policies under the supervision and control of the Board or Board Committee.

### **Section 3. Meetings.**

**A. Of Board Committees.** Meetings and actions of Board Committees shall be governed by and held and taken in accordance with the provisions of Article 6 of these Bylaws concerning meetings and actions of the Board of Directors, with such changes in the content of those Bylaws as are necessary to substitute the Board Committee and its members for the Board of Directors and its members. Minutes shall be kept of each meeting of any Board Committee and shall be filed with the corporate records.

**B. Of Advisory Committees.** The Chair or convener of an Advisory Committee shall give the membership proper notice of a meeting of that Advisory Committee at least ten days prior to that meeting. Minutes shall be kept of each meeting of any Advisory Committee and shall be filed with the corporate records.

The Board of Directors may adopt rules for the governance of any Board or Advisory Committee not inconsistent with the provisions of these Bylaws.

## **ARTICLE 8 OFFICERS**

**Section 1. Officers.** The officers of this Corporation shall be President, Vice President, Secretary, and Treasurer. The Corporation may also have, at the discretion of the directors, such other officers as may be appointed by the Board of Directors. Any number of offices may be held by the same person, except that neither the Secretary nor the Treasurer may serve concurrently as the President.

**Section 2. Election.** The officers of this Corporation shall be elected annually by the Board of Directors, and each shall serve at the pleasure of the Board, subject to the rights, if any, of an officer under any contract of employment.

**Section 3. Removal.** Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, with or without cause, by the Board of Directors.

**Section 4. Resignation.** Any officer may resign at any time by giving written notice to this Corporation. Any resignation shall take effect on receipt of that notice by such officer or at any later time specified by that notice and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of this corporation under any contract to which the officer is a party.

**Section 5. Vacancies.** A vacancy in any office for any reason shall be filled in the same manner as these Bylaws provide for election to that office.

**Section 6. President.** The President shall be the chief executive officer of this Corporation and shall, subject to control of the Board, generally supervise, direct, and control the business and other officers of this Corporation. The President shall preside all meetings of the members and the Board of Directors. The President shall be a member of all Board Committees, shall have the general powers and duties of management usually vested in the office of President of the corporation, and shall have such other powers and duties as may be prescribed by the Board or these Bylaws.

**Section 7. Vice President.** The Vice President shall, in the absence of the President, carry out the duties of the President and shall have such other powers and duties as may be prescribed by the Board or these Bylaws.

**Section 8. Secretary.** The Secretary shall supervise the keeping of a full and complete record of the proceedings of the members and the Board of Directors and its committees, shall supervise the giving of such notices as may be proper or necessary, shall supervise the keeping of the minute books and membership records of this corporation, and shall have such other powers and duties as may be prescribed by the Board or these Bylaws.

**Section 9. Treasurer.** The Treasurer shall supervise the charge and custody of all funds of this Corporation, the deposit of such funds in the manner prescribed by the Board of Directors, and the keeping and maintaining of adequate and correct accounts of this Corporation's properties and business transactions, shall render reports and accounting as required, and shall have such other powers and duties as may be prescribed by the Board or these Bylaws.

## **ARTICLE 9 PROHIBITED TRANSACTIONS**

**Section 1. Loans.** Except as permitted by Section 5236 of the California Nonprofit Public Benefit Corporation Law, this Corporation shall not make any loan of money or property to, or guarantee the obligation of, any director or officer; provided, however, that this Corporation may advance money to a director or officer of this Corporation or any subsidiary for expenses reasonably anticipated to be incurred in performance of the duties of such director or officer so long as such individual would be entitled to be reimbursed for such expenses absent that advance.

**Section 2. Selfdealing Transactions.** Except as provided in Section 3 of this Article, the Board of Directors shall not approve, or permit the corporation to engage in, any selfdealing transaction. A selfdealing transaction is a transaction to which this corporation is a party and in which one or more of its directors has a material financial interest, unless the transaction comes within Section 5233 (b) of the California Nonprofit Public Benefit Corporation Law.

**Section 3. Approval.** This Corporation may engage in a self-dealing transaction if the transaction is approved by a court or by the Attorney General. This Corporation may also engage in a self-

dealing transaction if the Board determines, before the transaction, that (a) this Corporation is entering into the transaction for its own benefit; (b) the transaction is fair and reasonable to this Corporation at the time; and (c) after reasonable investigation, the Board determines that it could not have obtained a more advantageous arrangement with reasonable effort under the circumstances. Such determinations must be made by the Board in good faith, with knowledge of the material facts concerning the transaction and the director's interest in the transaction, and by a vote of a majority of the directors then in office, without counting the vote of the interested director or directors.

## **ARTICLE 10 INDEMNIFICATION AND INSURANCE**

**Section 1. Right of Indemnity.** To the fullest extent allowed by Section 5238 of the California Nonprofit Public Benefit Corporation Law, this Corporation shall indemnify and advance expenses to its agents, in connection with any proceeding, and in accordance with Section 5238. For purposes of this Article, "agent" shall have the same meaning as in Section 5238(a), including directors, officers, employees, other agents, and persons formerly occupying such positions; "proceeding" shall have the same meaning as in Section 5238(a), including any threatened action or investigation under Section 5233 or brought by the Attorney General; and "expenses" shall have the same meaning, as in Section 5238(a), including reasonable attorneys' fees.

**Section 2. Approval of Indemnity.** On written request to the Board of Directors in each specific case by any agent seeking indemnification, to the extent that the agent has been successful on the merits, the Board shall promptly authorize indemnification in accordance with Section 5238(d). Otherwise, the Board shall promptly determine, by a majority vote of a quorum consisting of directors who are not parties to the proceeding, whether, in the specific case, the agent has met the applicable standard of conduct stated in Section 5238(b) or Section 5238(c), and, if so, shall authorize indemnification to the extent permitted thereby. If the Board cannot do so because there is no quorum of directors who are not party to the proceeding for which indemnification is sought, the Board shall promptly call a meeting of the members. At that meeting, the members shall determine whether, in the specific case, the applicable standard of conduct stated in such Section has been met, and, if so, the members shall authorize indemnification to the extent permitted thereby.

**Section 3. Advancing Expenses.** To the fullest extent allowed by Section 5238 of the California Nonprofit Public Benefit Corporation Law, and except as otherwise determined by the Board of Directors in specific instances, the Board shall authorize the advance of expenses incurred by or on behalf of an agent of this Corporation in defending any proceeding prior to final disposition, if the Board finds that.

- (a) the requested advances are reasonable in amount under the circumstances; and
- (b) before any advance is made, the agent will submit a written undertaking satisfactory to the Board to repay the advance unless it is ultimately determined that the agent is entitled to indemnification for the expenses under this Article.

Unless the Board finds compelling reasons to do otherwise, the undertaking shall be unsecured, and no interest shall be charged on the obligation created thereby.

**Section 4. Insurance.** The Board of Directors may adopt a resolution authorizing the purchase of insurance on behalf of any agent against any liability asserted against or incurred by the agent

in such capacity or arising out of the agent's status as such, and such insurance may provide for coverage against liabilities beyond this Corporation's power to indemnify the agent under law.

## **ARTICLE 11 GRANTS ADMINISTRATION**

**Section 1. Purpose of Grants.** This Corporation shall have the power to make grants and contributions and to render other financial assistance for the purposes expressed in this Corporation's Articles of Incorporation.

**Section 2. Exclusive Power in the Board of Directors.** The Board of Directors shall have exclusive control over grants, contributions, and other financial assistance given by this Corporation. The Board shall review all requests for funds and shall require that such requests specify the use to which the funds will be put. If the Board approves a request for funds, the Board shall authorize payment of such funds to the approved grantee.

**Section 3. Refusal; Withdrawal.** The Board of Directors, in its absolute discretion, shall have the right to refuse to make any grants or contributions, or to render other financial assistance, for any or all of the purposes for which the funds are requested. In addition, the Board, in its absolute discretion, shall have the right to withdraw its approval of any grant at any time and use the funds for other purposes within the scope of the purposes expressed in this Corporation's Articles of Incorporation.

**Section 4. Accounting Required.** The Board of Directors may require that grantees furnish a periodic accounting to show that the funds granted by this Corporation were expended for the purposes that were approved by the Board.

**Section 5. Restrictions on Contributions.** This Corporation shall retain complete control and discretion over the use of all contributions it receives. Contributions received by the Corporation from solicitations for specific grants shall be regarded as for the use of this Corporation and not for any particular organization or individual mentioned in the solicitation. This Corporation may accept contributions earmarked by the donor exclusively for allocation to one or more foreign organizations or individuals only if the Board of Directors of this Corporation has approved in advance the charitable activity for which the donation was made.

## **ARTICLE 12 MISCELLANEOUS**

**Section 1. Contracts, Notes, and Checks.** All contracts entered into on behalf of this Corporation must be authorized by the Board of Directors and, except as otherwise provided by law, every check, draft, promissory note, money order, or other evidence of indebtedness of this Corporation shall be signed by two members of the Executive Committee or by the Executive Director and one member of the Executive Committee.

### **Section 2. Annual Reports to Members and Directors.**

**A. Financial Report.** Unless this Corporation receives less than \$25,000 in gross revenues or receipts during the fiscal year, within 120 days after the end of this Corporation's fiscal year, the Board shall furnish a written report to all of the directors and members of this Corporation containing the following information:

- (i) the assets and liabilities, including the trust funds of this Corporation, as of the end of the fiscal year;
- (ii) the principal changes in assets and liabilities, including trust funds, during the fiscal year;
- (iii) the revenue or receipts of this Corporation, both unrestricted and restricted for particular purposes, for the fiscal year;
- (iv) the expenses or disbursements of this Corporation, for both general and restricted purposes, for the fiscal year; and
- (v) any information required by subsection B below.

The foregoing report shall be accompanied by any report thereon of independent accountants or, if there is no such report, the certificate of an authorized officer of this Corporation that such statements were prepared without an audit from the books and records of this Corporation.

If this corporation receives less than \$25,000 in gross revenues or receipts during the fiscal year, the report described above must be furnished only to the directors and any member who requests it in writing.

**B. Report of Certain Transactions.** Unless this Corporation furnishes the report required by subsection A above, within 120 days after the end of this Corporation's fiscal year, the Board shall furnish a written report to all of the members and directors of this Corporation containing, the following:

- (i) a description of any transaction during the previous fiscal year involving \$50,000.00 or more between this Corporation (or its parent or subsidiary, if any) and any of its directors or officers (or those of its parent or subsidiary, if any) or any holder of more than ten percent of the voting power of this Corporation (or its parent or subsidiary, if any), including the names of the interested persons, their relationship to this corporation, the nature of their interest in the transaction and where practicable, the value of such interest; and
- (ii) the amount and circumstances of any indemnifications or advances aggregating more than \$10,000.00 that were paid during the fiscal year to any director or officer of this Corporation, and that were not approved by the members of this Corporation.

If no transaction required to be reported has occurred during the fiscal year, no report is required for that fiscal year.

**Section 3. Amendments.** Amendments to these Bylaws may be adopted by the members only. Such amendments shall require the vote of the majority of the total number of members eligible to vote. If a proposed Bylaw amendment will be considered at a meeting, it shall be submitted in writing to the persons entitled to vote thereon at least one week before such meeting.

**Section 4. Governing Law.** In all matters not specified in these Bylaws, or in the event these Bylaws shall not comply with applicable law, the California Nonprofit Public Benefit Corporation Law as then in effect shall apply.

