

**AMENDED AND RESTATED BYLAWS OF  
MUSTANG SOCCER LEAGUE, INC.  
A California Nonprofit Public Benefit Corporation  
(Revised April, 2017)**

ARTICLE I: RECITALS AND DEFINITIONS

**Section 1.1. Corporate Name.** The name of this corporation is Mustang Soccer League, Inc., and shall be referred to herein as “the Corporation.”

**Section 1.2. Amended and Restated Bylaws.** In addition to its Second Restated Articles of Incorporation, the Corporation’s governing documents include a constitution and bylaws adopted on April 1, 1975 and revised on November 16, 2004, November 13, 2007, December 3, 2008 and November 17, 2009. At its November 2010 meeting, Voting Members of the Corporation constituting at least 2/3 majority vote of such attending members, adopted the Second Restated Articles of Incorporation and these Amended and Restated Bylaws of the Corporation. The Second Restated Articles of Incorporation and the Amended and Restated Bylaws super cede in their entirety the Restated Articles of Incorporation filed with the Secretary of State on July 6, 2010, and the constitution and bylaws adopted on April 1, 1975 and subsequently revised.

**Section 1.3. Principal Office.** The principal office for the transaction of the activities and affairs of the Corporation is located at 4680 Camino Tassajara Road, Danville, Contra Costa County, California. The board of directors may change the location of the principal office. Any such change of location must be noted by the secretary/treasurer on these bylaws opposite this Section; alternatively, this Section may be amended to state the new location.

**Section 1.4. Purpose.** The Corporation’s specific purpose shall be to foster amateur youth soccer and to carry on other charitable activities associated with this goal as allowed by law. Consistent with this purpose, the Corporation shall be a family-based organization (1) that offers high-quality, diverse, year-round soccer to youth regardless of race, color, religion, age, sex, national origin and/or ability, within its boundaries, and (2) that promotes good sportsmanship and the enjoyment of soccer for coaches, referees, youth and their parents and/or guardians.

**Section 1.5. Boundaries.** The Corporation’s boundaries shall include Danville, Alamo, Blackhawk, Diablo and those areas of south Walnut Creek and unincorporated Contra Costa County that are in the San Ramon Valley Unified School District and not part of the City of San Ramon.

**Section 1.6. Construction; Definitions.** Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California Nonprofit Public Benefit Corporation Law shall govern the construction of these bylaws. Without limiting the generality of the preceding sentence, the masculine gender includes the feminine and neuter, the singular includes the plural, the plural includes the singular, and the term “person” includes both a legal entity and a natural person.

**Section 1.7. Irrevocable Dedication of Assets.** This Corporation’s assets are irrevocably dedicated to charitable purposes. No part of the net earnings, properties, or assets of the Corporation, on dissolution or otherwise, shall inure to the benefit of any private person or individual, or to any director or

officer of the Corporation. On the winding up and dissolution of the Corporation, after paying or adequately providing for the debts, obligations and liabilities of the Corporation, the remaining assets of the Corporation shall be distributed to an organization (or organizations) organized and operated exclusively for charitable purposes, limited to fostering amateur youth soccer; if the organization has established its tax-exempt status under Internal Revenue Code §501(c)(3) (or corresponding provisions of any future federal Internal Revenue Code law); and has established its tax-exempt status under Revenue and Taxation Code §23701(d) (or the corresponding section of any future California revenue and tax law; and satisfies the requirements of Revenue and Taxation Code §214.

## **ARTICLE II: MEMBERSHIP AND MEMBERSHIP RIGHTS**

**Section 2.1. Membership.** The Corporation shall have the following classes of members:

**Section 2.1.1. Playing Members:** All individuals currently registered and assigned to a specific team shall be Playing Members.

**Section 2.1.2. General Members:** All parents and/or guardians of Playing Members shall be General Members.

**Section 2.1.3. Participating Members:** Referees who reside within the Corporation's boundaries, board members, and currently registered coaches and assistant coaches shall be Participating Members.

**Section 2.2. Membership Rights.** All General Members and Participating Members ("Voting Members") shall have the right to vote, as set forth in these bylaws, on the election of directors, on the disposition of all or substantially all of the corporation's assets, on any merger and its principal terms and any amendment of those terms, and on any election to dissolve the Corporation. In addition, those members shall have all rights afforded members under the California Nonprofit Public Benefit Corporation Law.

**Section 2.3. Dues, Fees and Assessments.** Each member must pay, within the time and on the conditions set by the board, the dues, fees or assessments, if any, in amounts to be fixed from time to time by the board. The dues, fees or assessments shall be equal for all members of each class, but the board may, in its discretion, set different dues, fees or assessments for each class.

**Section 2.4. Good Standing.** Members who have paid the required dues, fees or assessments in accordance with these bylaws and who are not suspended shall be members in good standing.

**Section 2.5. Termination of Membership.** A membership may be terminated by the board on occurrence of any of the following events:

- (1) Resignation of the member;
- (2) Expiration of the period of membership, unless the membership is renewed on the renewal terms fixed by the board;

- (3) The member's failure to pay dues, fees or assessments on such terms and conditions as may be from time to time set by the board within 60 days after they are due and payable;
- (4) Any event that renders the member ineligible for membership, or failure to satisfy membership qualifications; or
- (5) On the good faith determination by a two-thirds vote of the board, that the member has failed in a material and serious degree to observe the rules of conduct of the Corporation, or has engaged in conduct materially and seriously prejudicial to the Corporation's purposes and interests.

**Section 2.6. Temporary Suspension of Membership.** A member may be immediately and temporarily suspended based on the good faith determination by a majority vote of the board or a committee approved by the board, or by the President or Vice-President as authorized by the board to make such a determination that the member has failed in a material and serious degree to observe the Corporation's rules of conduct, or has engaged in conduct materially and seriously prejudicial to the Corporation's purposes and interests. A person whose membership is suspended shall not be a member during the period of suspension.

**Section 2.7. Procedure.** If grounds appear to exist for extending the temporary suspension, if any, or for suspending or terminating a member, the following procedure will be followed:

- (1) If not already temporarily suspended, the board shall give the member at least 15 days' prior notice of the proposed suspension or termination and the reasons for such proposed suspension or termination. Notice shall be given by any method reasonably calculated to provide actual notice. Notice given by mail shall be sent by first-class or registered mail to the member's last address as shown on the Corporation's records.
- (2) If temporarily suspended, within five days of such suspension, the board shall give the member notice of the temporary suspension and the reason for such suspension. Notice shall be given by any method reasonably calculated to provide actual notice. Notice given by mail shall be sent by first-class or registered mail to the member's last address as shown on the Corporation's records.
- (3) The member shall be given an opportunity to be heard, either orally or in writing, at least five days before the effective date of the proposed suspension or termination or within 15 days of the temporary suspension, if any. The hearing shall be held, or the written statement considered, by the board or by a committee or person authorized by the board to determine whether the suspension or termination should occur.

(4) The board or committee shall decide by a majority vote whether the member shall be suspended or sanctioned in any way and the board shall decide by a two-thirds vote whether the member shall be terminated. Such decision of the board or committee shall be final.

(5) Any action challenging a suspension or termination of membership, including a claim alleging defective notice, must be commenced within one year after the date of the suspension or termination.

**Section 2.8. Memberships as Not Transferable.** No membership or right arising from membership shall be transferred. All membership rights cease on the member's death.

### **ARTICLE III: MEMBERSHIP MEETINGS**

**Section 3.1. Annual Meeting.** A general meeting of members shall be held at least annually at such time and place, and on such notice as the board may determine. Directors shall be elected at this meeting. Any other proper business as set forth in notice may be transacted at this meeting.

**Section 3.2. Location of Meetings.** Meetings of the members shall be held at any place within California designated by the board or by the written consent of all members entitled to vote at the meeting, given before or after the meeting. In the absence of any such designation, members' meeting shall be held at the Corporation's principal office. The board may authorize members who are not present in person to participate by electronic transmission or electronic video communication.

**Section 3.3. Special Meetings.** The president, five or more directors or 100 or more Voting Members may call a special meeting of the members for any lawful purpose at any time. A special meeting called by any person entitled to call a meeting of the members shall be called by written request, specifying the nature of the business proposed to be transacted, and addressed to the attention of and submitted to the president or any vice president or the secretary/treasurer of the Corporation. The officer receiving the request shall cause notice to be given promptly to the Voting Members, stating that a meeting will be held at a specified time and date fixed by the board. However, the meeting date shall be at least 10 but no more than 30 days after receipt of the request. If the notice is not given within 20 days after the request is received, the person or persons requesting the meeting may give the notice. Nothing in this Section shall be construed as limiting, fixing or affecting the time at which a meeting of members may be held when the meeting is called by the board. No business, other than the business that was set forth in the notice of the meeting, may be transacted at a special meeting.

**Section 3.4. Written Notice Required.** Whenever members are required or permitted to take any action at a meeting, a written notice of the meeting shall be given to each Voting Member. The notice shall specify the place, date and hour of the meeting. For the annual meeting, the notice shall state the matters that the board, at the time notice is given, intends to present for action by the members. For a special meeting, the notice shall state the general nature of the business to be transacted and shall state that no other business may be transacted. The notice of any meeting at which directors are to be elected shall include the names of all persons who are nominees when notice is given.

**Section 3.5. Notice of Certain Agenda Items.** Approval by the members of any of the following proposals, other than by unanimous approval by the Voting Members, is valid only if the notice or written waiver of notice states the proposal or proposals:

- (1) Removing a director without cause;
- (2) Amending the articles of incorporation; or
- (3) Electing to wind up and dissolve the corporation.

**Section 3.6. Notice Requirements.** Notice of any meeting of members shall be in writing and shall be given at least 14 days but no more than 90 days before the meeting date. The notice shall be given either personally, by electronic transmission by the Corporation, or by first-class, registered or certified mail, or by other means of written communication, charges prepaid, and shall be addressed to each member entitled to vote, at the address of that member as it appears on the books of the Corporation or at the address given by the member to the Corporation for purposes of notice. If no address appears on the Corporation's books and no address has been so given, notice shall be deemed to have been given if either (1) notice is sent to that member by first-class mail or facsimile or other written communication to the Corporation's principal office or (2) notice is published at least once in a newspaper of general circulation in the county in which the principal office is located.

**Electronic Notice.** Notice given by electronic transmission by the Corporation shall be valid only if:

(1) Delivered by (a) facsimile telecommunication or electronic mail when directed to the facsimile number or electronic mail address, respectively, for that recipient on record with the Corporation; (b) posting on an electronic message board or network that the Corporation has designed for those communications, together with a separate notice to the recipient of the posting, which transmission shall be validly delivered on the later of the posting or delivery of the separate notice of it; or (c) other means of electronic communication;

(2) To a recipient who has provided an unrevoked consent to the use of those means of transmission for communications; and

(3) That creates a record that is capable of retention, retrieval and review, and that may thereafter be rendered into clearly legible tangible form.

Notwithstanding the foregoing.

(1) An electronic transmission by the Corporation to a member is not authorized unless, in addition to satisfying the requirements of this section, the consent to the transmission has been preceded by or includes a clear written statement to the recipient as to (a) any right of the recipient to have the record provided or made available on paper in non-electronic form, (b) whether the consent applies only to that transmission, to specified categories of communications, or to all communications from the corporation, and (c) the procedures the recipient must use to withdraw consent.

(2) Notice shall not be given by electronic transmission by the Corporation after either of the following: (a) the Corporation is unable to deliver two consecutive notices to the member by that means, or (b) the inability to so deliver the notices to the member becomes known to the president, vice president or secretary/treasurer or any other person responsible for the giving of the notice.

**Section 3.7. Affidavit of Mailing.** An affidavit of the mailing of any notice of any members' meeting, or of the giving of such notice by other means, may be executed by the president, vice president or secretary/treasurer of the Corporation, and if so executed, shall be filed and maintained in the Corporation's minute book.

**Section 3.8. Quorum.** The members attending the General or Annual Meeting shall constitute a quorum but may vote only on matters as to which notice of their general nature was given under Sections 3.4 and 3.5 of these bylaws.

#### **ARTICLE IV. MEMBERSHIP VOTING**

**Section 4.1. Eligibility to Vote.** Subject to the California Nonprofit Public Benefit Corporation Law, General Members and Participating Members ("Voting Members") if in good standing on the record date as determined under Section 2.4 of these bylaws shall be entitled to vote at any meeting of members.

**Section 4.2. Manner of Voting.** Voting may be by voice or by ballot, except that any election of directors must be by ballot if demanded before the voting begins by any member at the meeting.

**Section 4.3. Number of Votes.** Each Voting Member entitled to vote may cast one vote on each matter submitted to a vote of the Voting Members.

**Section 4.4. Majority Approval.** The affirmative vote of a majority of the voting power represented at the meeting, entitled to vote and voting on any matter, shall be deemed the act of the members unless the vote of a greater number is required by the California Nonprofit Public Benefit Corporation Law or by section 10.2 of these bylaws.

**Section 4.5. Proxies.** Voting by proxy is prohibited.

**Section 4.6. Adjournment; Notice.** Any members' meeting may be adjourned from time to time by the vote of the majority of the Voting Members present at the meeting, either in person or by proxy. No meeting may be adjourned for more than 45 days. A notice of the adjourned meeting shall be given to each member who, on the record date for notice of the meeting, is entitled to vote at the meeting. At the adjourned meeting, the Corporation may transact any business that might have been transacted at the original meeting.

#### **ARTICLE V: BOARD OF DIRECTORS**

**Section 5.1. General Powers of Board.** Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and any other applicable laws, and subject to any limitations of the articles of incorporation or bylaws regarding actions that require approval of the members, the

Corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the board.

**Section 5.2. Specific Powers of Board.** Without prejudice to the general powers set forth in Section 4.1 of these bylaws, but subject to the same limitations, the board shall have the power to do the following:

(1) Appoint and remove, at the pleasure of the board, all non-director corporate officers, agents and employees; prescribe powers and duties for them as are consistent with the law, the articles of incorporation, and these bylaws; fix their compensation; and require from them security for faithful service.

(2) Change the principal office in California from one location to another; cause the Corporation to be qualified to conduct its activities in any other state, territory, dependency or country; conduct its activities in or outside California; and designate a place in California for holding any meeting of members.

(3) Borrow money and incur indebtedness on the Corporation's behalf and cause to be executed and delivered for the corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, ledges, hypothecations, and other evidence of debt and securities.

(4) Adopt and use a corporate seal; prescribe the forms of membership certificates; and alter the forms of the seal and certificates.

**Section 5.3. Number of Directors.** The board of directors shall consist of at least 10, but no more than 20 directors unless changed by amendment to these bylaws. The exact number of directors and their functional areas of responsibilities shall be fixed, within those limits, by a resolution adopted by the board of directors.

**Section 5.4. Term of Service.** Five members of the board of directors elected in 2017 shall be elected to three year terms and two members shall be elected to two year terms. Five members of the board of directors elected in 2018 shall be elected to three year terms and two members shall be elected to one year terms. The term of office for all directors elected in 2019 and thereafter shall be 3 years. Whenever the total number of directors changes, length of terms of newly elected or re-elected directors shall be adjusted prior to the annual election to maintain the 1/3 ratio of directors to be elected each year. Terms of the President, Vice President and Secretary/Treasurer shall be staggered so no more than one of these officers of the corporation is up for election in the same year.

**Section 5.5. Interested Persons as Directors.** No more than 49 percent of the persons serving on the board may be "interested persons." An interested person is (1) any person compensated by the Corporation for services rendered to it within the previous 12 months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a director as director; and (2) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of such person. However, any violation of this paragraph shall not affect the validity or enforceability of transactions entered into by the Corporation.

**Section 5.6. Functional Areas of Responsibility.** All directors shall be assigned a functional area of responsibility. Such assignments shall be made by a resolution adopted by the board of directors. Such assignments may include but are not limited to the following: President; Vice-President; Secretary/Treasurer; Division 1 Director; Division 3 Director; Division 4 (White) Director, Boys; Division 4 (White) Director, Girls; Division 4 (White Plus); Equipment Director; Fields Director; Parliamentarian/Historian; Referee Director; Tournament Director; Director of Risk Management; and Director Coach and Player Development.

**Section 5.7. Nominations by Committee.** At least six weeks prior to the annual general meeting, the board of directors shall appoint a nominating committee consisting of four members who do not wish to run for director. The sole purpose of the nominating committee is to propose candidates to fill director positions at the next Annual General Meeting. The four members will select a fifth member from the current board of directors. The fifth member may run again but should not participate in the nominating process or vote for the selection of nominees for that director's designated functional area of responsibility. Officers of the Corporation shall not serve on the nominating committee.

The five committee members will select their own chair. The nominating committee's proposed slate of directors and the time and place of the annual general meeting shall be mailed or e-mailed to the Voting Members (by family) at least thirty days prior to the annual general meeting.

**Section 5.8. Nominations by Members.** Thirty or more Voting Members may nominate candidates for directors by petition. The petition must be signed by those members within thirty days preceding the next time directors are to be elected and delivered to an officer of the Corporation at least two weeks before the annual general meeting. The secretary/treasurer will cause the names of the candidates named on the petition to be placed on the ballot along with the names of the candidates chosen by the nominating committee and shall mail or email a sample ballot showing all nominees to the Voting Members (by family) at least 10 days prior to the annual general meeting.

**Section 5.9. Floor Nominations.** When a meeting is held for the election of directors, there shall be no nominations from the floor.

**Section 5.10. Nominee's Right to Solicit Votes.** The board shall formulate procedures that allow a reasonable opportunity for a nominee to communicate to members the nominee's qualifications and the reasons for the nominee's candidacy, a reasonable opportunity for the nominee to solicit votes, and a reasonable opportunity for all members to choose among the nominees.

**Section 5.11. Use of Corporate Funds.** If more people have been nominated for director than can be elected, no corporate funds may be expended to support a nominee without the board's authorization.

**Section 5.12. Election Procedure.**

(1) The Nominating Committee chairperson will run the election part of the Annual General Membership meeting, with the help of the rest of the committee who are not running for office.

(2) One ballot will be handed to each Voting Member.

(3) As each ballot is given to a Voting Member, such Voting Member will sign a separate sheet to record who is voting.

(4) The Voting Member must show proof of identification, if requested.

(5) One speaker only per candidate with a three minute limit will be allowed.

**Section 5.13. Vacancies on Board.** A vacancy or vacancies on the board of directors shall occur in the event of (1) the death, removal, or resignation of any director; (2) the declaration by resolution of the board of a vacancy in the office of a director who has been convicted of a felony, declared of unsound mind by a court order, or found by final order of judgment of any court to have breached a duty under California Nonprofit Public Benefit Corporation Law, Chapter 2, Article 3; (3) the vote of the members to remove the director(s); (4) the increase of the authorized number of directors; or (5) the failure of the members, at any meeting of members at which any director or directors are to be elected, to elect the number of directors required to be elected at such meeting.

**Section 5.14. Resignation of Directors.** Except as provided below, any director may resign by giving written notice to the chair of the board, if any, or to the president or the secretary/treasurer of the board. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective. If a director's resignation is effective at a later time, the board may elect a successor to take office as of the date when the resignation becomes effective. Except on notice to the California Attorney General, no director may resign if the corporation would be left without a duly elected director or directors.

**Section 5.15. Removal of Directors.** A majority of the board may remove from the board any director who does not attend three successive board meetings without board resolution unless:

(1) The director requests a leave of absence for a limited period of time, and the leave is approved by the directors at a regular or special meeting. If such leave is granted, the number of board members will be reduced by one in determining whether a quorum is or is not present;

(2) The director suffers from an illness or disability that prevents him or her from attending meetings and the board by resolution waives the automatic removal procedure of this subsection; or

(3) The board by resolution of the majority of board members agrees to reinstate the director who has missed three meetings.

**Section 5.16. Vacancies Filled by Board.** Except for a vacancy created by the removal of a director by the members, vacancies on the board may be filled by approval of the board or, if the number of directors then in office is less than a quorum, by (1) the unanimous written consent of the directors then in office, (2) the affirmative vote of a majority of the directors then in office at a meeting held according to notice or waivers of notice complying with Corporations Code §5211, or (3) a sole remaining director.

**Section 5.17. Vacancies Filled by Members.** The members may elect a director or directors at any time to fill any vacancy or vacancies not filled by the directors. Any reduction of the authorized number of directors shall not result in any director's being removed before his or her term of office expires.

**Section 5.18. Director Compensation.** The board may authorize the advance or reimbursement of actual reasonable expenses incurred by a director or member of a committee in carrying out his or her duties. Directors shall not otherwise be compensated. Nothing contained herein shall be construed to preclude any director from serving in any other capacity or receiving compensation for such service.

## **ARTICLE VI: BOARD MEETINGS**

**Section 6.1. Location of Board Meetings.** Meetings of the board shall be held at any place within California that has been designated by resolution of the board or in the notice of the meeting or, if not so designated, at the principal office of the Corporation.

**Section 6.2. Meetings by Telecommunication.** Any board meeting may be held by conference telephone, video screen communication, or other communications equipment. Participation in a meeting under this Section shall constitute presence in person at the meeting if both the following apply:

(1) Each member participating in the meeting can communicate concurrently with all other members.

(2) Each member is provided 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.

**Section 6.3. Regular Board Meetings.** The board shall meet on the second to last Monday of every month at 7:00 p.m. at 4680 Camino Tassajara, Danville, California, or at such other place or time as the board may determine. Notice of the time and place of regular board meetings may be posted on the Corporation's website at least four (4) days prior to the meeting.

**Section 6.4. Special Board Meetings.** Special meetings of the board for any purpose may be called at any time by the president, the vice president, the secretary/treasurer, or any five directors.

**Section 6.5. Notice of Special Board Meetings.** Notice of the time and place of special meetings shall be given to each director by (1) personal delivery of written notice; (2) first-class mail, postage prepaid; (3) telephone, including a voice messaging system or other system or technology designed to record and communicate messages, or by electronic transmission, either directly to the director or to a person at the director's office who would reasonably be expected to communicate that notice promptly to the director; (4) facsimile; (5) electronic mail; or (6) other electronic means. All such notices shall be given or sent to the director's address or telephone number as shown on the Corporation's records. Notices sent by first-class mail shall be deposited in the United States mails at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone or electronic transmission shall be delivered, telephoned or sent, respectively, at least 24 hours before the time set for the meeting. The notice shall state the time of the meeting and the place, if the place is other than the Corporation's principal office. The notice need not specify the purpose of the meeting. Notice of the time and place of special board meetings may be posted on the Corporation's website at least four (4) days prior to the meeting.

**Section 6.6. Emergency Board Meetings.** An emergency meeting of the board may be called by the president or by any two directors other than the president if there are circumstances that could not have

been reasonably foreseen that require immediate attention and possible action by the board. Emergency board meetings may be held without complying with the notice requirements set forth in Sections 6.3 and 6.5. Reasonable efforts shall nevertheless be made to contact all directors regarding the proposed action in advance thereof, rather than relying on notification after the fact.

**Section 6.7. Executive Board Sessions.** The board shall be entitled to call and/or to adjourn from any general or special board meeting at any time for the purpose of convening in executive session to discuss: (1) litigation in which the Corporation is or may become a party; (2) matters relating to the formation of contracts with third parties; (3) member discipline; (4) personnel matters; or (5) any other matter that a majority of the board deems appropriate for executive session.

**Section 6.8. Attendance at Board Meetings.** All regular, special and emergency board meetings shall be open to all members of the Corporation and to non-members with board approval.

**Section 6.9. Quorum.** A majority of the authorized number of directors shall constitute a quorum for the transaction of any business except adjournment. Every action taken or decision made by a majority of the directors present at a duly held meeting at which a quorum is present shall be an act of the board, subject to the more stringent provisions of the California Nonprofit Public Benefit Corporation Law, including, without limitation, those provisions relating to (1) approval of contracts or transactions in which a director has a direct or indirect material financial interest, (2) approval of certain transactions between corporations having common directorships, (3) creation of and appointments to committees of the board, and (4) indemnification of directors. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of some directors from that meeting, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

**Section 6.10. Waiver of Notice.** Notice of a meeting need not be given to any director who, either before or after the meeting, signs a waiver of notice, a written consent to the holding of the meeting, or an approval of the minutes of the meeting. The waiver of notice or consent need not specify the purpose of the meeting. All waivers, consents and approvals shall be filed with the Corporate records or made a part of the minutes of the meetings. Notice of a meeting need not be given to any director who attends the meeting and who, before or at the beginning of the meeting, does not protest the lack of notice to him or her.

**Section 6.11. Adjournment.** A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place.

**Section 6.12. Notice of Adjourned Meeting.** Notice of the time and place of holding an adjourned meeting need not be given unless the original meeting is adjourned for more than 24 hours. If the original meeting is adjourned for more than 24 hours, notice of any adjournment to another time and place shall be given, before the time of the adjourned meeting, to the directors who were not present at the time of the adjournment.

**Section 6.13. Board Action Without Meeting.** Any action that the board is required or permitted to take may be taken without a meeting if all board members consent in writing to the action; provided, however, that the consent of any director who has a material financial interest in a transaction to which the Corporation is a party and who is an “interested director” as defined in Corporations Code §5233 shall not

be required for approval of that transaction. Such action by written consent shall have the same force and effect as any other validly approved action of the board. All such consents shall be filed with the minutes of the proceedings of the board.

## **ARTICLE VII: COMMITTEES**

**Section 7.1. Board Committees.** The board, by resolution adopted by a majority of the directors then in office, may create one or more committees, each consisting of at least one director to serve at the pleasure of the board. Appointments to committees of the board shall be by majority vote of the directors then in office. The board may appoint one or more directors as alternate members of any such committee, who may replace any absent member at any meeting. Any such committee shall have the authority of the board, to the extent provided in the board resolution, except that no committee may do the following:

- (1) Take any final action on any matter that, under the California Nonprofit Public Benefit Corporation Law, also requires approval of the members or approval of a majority of all members;
- (2) Fill vacancies on the board or any committee of the board;
- (3) Fix compensation of the directors for serving on the board or on any committee;
- (4) Amend or repeal bylaws or adopt new bylaws;
- (5) Amend or repeal any resolution of the board that by its express terms is not so amendable or repealable; or
- (6) Create any other committees of the board or appoint the members of committees of the board.

**Section 7.2. Audit Committee.** The Corporation shall have an audit committee consisting of at least 1 director who will be the Secretary/Treasurer, and may include nonvoting advisors. Directors who are employees or officers of the Corporation or who receive, directly or indirectly, any consulting, advisory or other compensatory fees from the Corporation (other than for service as director) may not serve on the audit committee. The audit committee shall perform the duties and adhere to the guidelines set forth in the Corporation's audit committee charter as amended from time to time by the board. Such duties include, but are not limited to:

- (1) Assisting the board in choosing an independent auditor and recommending termination of the auditor, if necessary;
- (2) Negotiating the auditor's compensation;
- (3) Conferring with the auditor regarding the Corporation's financial affairs; and
- (4) Reviewing and accepting or rejecting the audit.

Members of the audit committee shall not receive compensation for their service on the audit committee in excess of that provided to directors for their service on the board. If the Corporation has a finance committee, a majority of the members of the audit committee may not concurrently serve as members of the finance committee, and the chair of the audit committee may not serve on the finance committee.

**Section 7.3. Compensation Committee.** The Corporation shall have a compensation committee consisting of the president, vice-president, secretary/treasurer and such other members, if any, as the board may appoint. Directors who are also employees or independent contractors of the Corporation may not serve on the compensation committee. The compensation committee shall review the compensation of the employees and independent contractors of the Corporation annually and whenever a modification in compensation is proposed. The review shall include an evaluation of the performance of the employees and independent contractors and an analysis of appropriate comparability data. Based on its review, the compensation committee shall recommend just and reasonable compensation amounts for the employees and independent contractors to the board.

**Section 7.4. Executive Committee.** The president, vice president and secretary/treasurer shall serve as the executive committee of the board. The executive committee, unless limited by a resolution of the board, shall have and may exercise all the authority of the board in the management of the business and affairs of the Corporation between meetings of the board; provided, however, that the executive committee shall not have the authority of the board in reference to those matters enumerated in Section 4.28. All actions of the executive committee shall be reported to and ratified by the full board at the next duly scheduled board meeting.

**Section 7.5. Investment Committee.** The Corporation shall have an investment committee comprised of not less than three directors. The committee shall act with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with these matters would use in the conduct of an enterprise of like character and with like aims to accomplish the purposes of the institution. Individual investments shall be considered as part of an overall investment strategy. The committee shall consider present and future financial requirements, expected total return, general economic conditions, the appropriate level of risk, appropriate levels of income, growth and long-term net appreciation, and the probable safety of the funds. The committee may retain professional money managers, and shall develop an investment policy that shall be reconsidered at least annually, in light of the changing needs of the Corporation, economic conditions, and any other factors that may affect the Corporation's tolerance of risk and need for income. The committee may recommend the retention of property contributed by a donor (whether or not it produces income), and a donor's request should be a factor in making the determination of whether to sell a particular asset contributed by a donor.

**Section 7.6. Committee Meetings.** Meetings and actions of committees of the board shall be governed by, held and taken under the provisions of these bylaws concerning meetings and other board actions, except that the time for general meetings of board committees and the calling of special meetings of board committees may be set either by board resolution or, if none, by resolution of the committee. Minutes of each meeting shall be kept and shall be filed with the corporate records. The board may adopt rules for the governance of any committee as long as the rules are consistent with these bylaws. If the board has not adopted rules, the committee may do so.

## **ARTICLE VIII: OFFICERS**

**Section 8.1. Officers.** The officers of the Corporation shall be a president, vice president and secretary/treasurer. The same person shall not hold more than one office.

**Section 8.2. Election of Officers.** The officers who shall be directors of the Corporation shall be chosen by the Voting Members at the annual meeting.

**Section 8.3. Responsibilities of the President.** The president shall preside at board meetings and shall exercise and perform such other powers and duties as the board may assign from time to time. The president shall also be responsible for the overall operation of the Corporation and shall supervise, direct and control the Corporation's activities, affairs and officers. The president shall preside at all members' meetings and all board meetings. The president shall have such other powers and duties as the board or the bylaws may require. The president shall also act as the Corporation's representative on official matters not otherwise delegated to specific directors.

**Section 8.4. Responsibilities of the Vice President.** If the president is absent or disabled, the vice president shall perform all duties of the president. When so acting, the vice president shall have all powers of and be subject to all restrictions of the president. The vice president shall have such other powers and duties as the board or the bylaws may require.

**Section 8.5. Responsibilities of the Secretary/Treasurer.** The secretary/treasurer shall keep or cause to be kept, at the Corporation's principal office or such other place as the board may direct, a book of minutes of all meetings, proceedings and actions of the board, of committees of the board, and of members' meetings. The minutes of meetings shall include the time and place that the meeting was held; whether the meeting was annual, general or special and, if special, how authorized; the notice given; the names of persons present at board and committee meetings; and the number of members present or represented at members' meetings.

The secretary/treasurer shall keep or cause to be kept, at the principal California office, a copy of the articles of incorporation and bylaws, as amended to date.

The secretary/treasurer shall keep or cause to be kept, at the Corporation's principal office or at a place determined by resolution of the board, a record of the Corporation's members, showing each member's name, address and class of membership.

The secretary/treasurer shall give, or cause to be given, notice of all meetings of members, of the board and of committees of the board that these bylaws require to be given. The secretary/treasurer shall keep the corporate seal, if any, in safe custody and shall have such other powers and perform such other duties as the board or the bylaws may require.

The secretary/treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the Corporation's properties and transactions. The secretary/treasurer shall send or cause to be given to the members and directors such financial statements and reports as are required to be given by law, by these bylaws, or by the board. The books of account shall be open to inspection by

any director at all reasonable times. The secretary/treasurer shall prepare an annual budget for board review and approval.

The secretary/treasurer shall (1) deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the Corporation with such depositories as the board may designate; (2) disburse the Corporation's funds as the board may order; (3) render to the president, chair of the board, if any, and the board, when requested, an account of all transactions as secretary/treasurer and of the financial condition of the Corporation; and (4) have such other powers and perform such other duties as the board or the bylaws may require.

If required by the board, the secretary/treasurer shall give the Corporation a bond at the Corporation's expense in the amount and with the surety or sureties specified by the board for faithful performance of the duties of the office and for restoration to the Corporation of all of its books, papers, vouchers, money and other property of every kind in the possession or under the control of the secretary/treasurer on his or her death, resignation, retirement or removal from office.

## **ARTICLE IX. RECORDS, REPORTS AND INSPECTION RIGHTS**

**Section 9.1. Corporate Records.** This Corporation shall keep the following:

- (1) Adequate and correct books and records of account that will be maintained in accordance with generally accepted accounting principles;
- (2) Minutes of the proceedings of its members, board and committees of the board;  
and
- (3) A record of each member's name, address and class of membership.

The minutes and other books and records shall be kept either in written form or in any other form capable of being converted into clearly legible tangible form or in any combination of the two.

**Section 9.2. Members' Inspection Rights.** Unless the Corporation provides a reasonable alternative as provided below, any member may do either or both of the following for a purpose reasonably related to the member's interest as a member:

- (1) Inspect and copy the records containing Voting Members' names, address and voting rights during usual business hours on 5 days' prior written demand on the Corporation, which must state the purpose for which the inspection rights are requested; or
- (2) Obtain from the secretary/treasurer of the Corporation, on written demand and tender of a reasonable charge, a list of names and addresses of Voting Members who are entitled to vote for directors as of the most recent record date for which that list has been compiled, or as of the date, after the date of demand, specified by the member. The demand shall state the purpose for which the list is requested. The secretary/treasurer shall make this list available to the member on or before the later of 10 days after the demand is received or the date specified in the demand as the date as of which the list is to be compiled.

The Corporation may, within 10 business days after receiving a demand under this Section, make a written offer of an alternative method of reasonable and timely achievement of the proper purpose specified in the demand without providing access to or a copy of the Voting Membership list. Any rejection of this offer must be in writing and must state the reasons the proposed alternative does not meet the proper purpose of the demand.

If the Corporation reasonably believes that the information will be used for a purpose other than one reasonably related to a person's interest as a member, or if it provides a reasonable alternative under this Section, it may deny the member access to the Voting Membership list.

Any inspection and copying under this Section may be made in person or by the member's agent or attorney. The right of inspection includes the right to copy and make extracts. The member shall designate the records under this section and section 9.3 that such member wishes to have copied. The Corporation will copy or have copies made at the member's expense.

**Section 9.3. Inspection of Accounting Records and Minutes.** On written demand on the Corporation, any member may inspect, copy and make extracts of the accounting books and records and the minutes of the proceedings of the members, the board of directors and committees of the board at any reasonable time for a purpose reasonably related to the member's interest as a member. Any such inspection and copying may be made in person or by the member's agent or attorney.

**Section 9.4. Inspection of Articles and Bylaws.** This Corporation shall keep at its principal California office the original or a copy of the articles of incorporation and bylaws, as amended to the current date, that shall be open to inspection by the members at all reasonable times during office hours.

**Section 9.5. Directors' Inspection Rights.** Every director shall have the absolute right at any reasonable time to inspect the Corporation's books, records and documents of every kind, and to inspect the physical properties of the Corporation. The inspection may be made in person or by the director's agent or attorney. The right of inspection includes the right to copy and make extracts of books, records and documents of every kind.

**Section 9.6. Annual Report.** The board shall cause an annual report to be made available to the members and directors within 120 days after the end of the Corporation's fiscal year. That report shall contain the following information, in appropriate detail:

- (1) The assets and liabilities, including the trust funds, or the Corporation as of the end of the fiscal year;
- (2) The principal changes in assets and liabilities, including trust funds;
- (3) The Corporation's revenue or receipts, both unrestricted and restricted to particular purposes;
- (4) The Corporation's expenses or disbursements for both general and restricted purposes;
- (5) Any information required of these bylaws; and

(6) An independent accountants' report or, if none, the certificate of an authorized officer of the Corporation that such statements were prepared without audit from the Corporation's books and records.

This requirement of an annual report shall not apply if the Corporation receives less than \$25,000.00 in gross receipts during the fiscal year, provided, however, that the information specified above for inclusion in an annual report must be furnished annually to all directors and to any member who requests it in writing. If the board approves, the Corporation may send the report and any accompanying material sent pursuant to this section by electronic transmission.

**Section 9.7. Annual Statement.** As part of the annual report to all members, or as a separate document if no annual report is issued, the Corporation shall, within 120 days after the end of the Corporation's fiscal year, annually prepare and make available to each member and furnish to each director a statement of any transaction or indemnification of the following kind:

(1) Any transaction (a) in which the Corporation, or its parent or subsidiary, was a party, (b) in which an "interested person" had a direct or indirect material financial interest, and (c) that involved more than \$50,000.00 or was one of several transactions with the same interested person involving, in the aggregate, more than \$50,000.00. For this purpose, an "interested person" is either

(i) Any director or officer of the Corporation, its parent or subsidiary (but mere common directorship shall not be considered such an interest); or

(ii) Any holder of more than 10 percent of the voting power of the Corporation, its parent or its subsidiary.

The statement shall include a brief description of the transaction, the names of interested persons involved, their relationship to the Corporation, the nature of their interest in the transaction and, if practicable, the amount of that interest, provided that if the transaction was with a partnership in which the interested person is a partner, only the interest of the partnership need be stated.

(2) Any indemnifications or advances aggregating more than \$10,000.00 paid during the fiscal year to any officer or director of the Corporation under Section 4.41 of these bylaws, unless that indemnification has already been approved by the members under Corporations Code §5238(e)(2).

## **ARTICLE X: AMENDMENTS TO BYLAWS**

**Section 10.1. Board Amendment of Bylaws.** Subject to the members' rights under Section 2.2 of these bylaws and the limitations set forth below, the board may, by an affirmative vote of two-thirds of the directors present at a meeting of the directors at which a quorum is present, adopt, amend or repeal bylaws unless doing so would materially and adversely affect the members' rights as to voting or transfer.

**Section 10.2. When Members' Approval Required.** Without the affirmative vote of two-thirds of the voting power represented at a meeting of the members, the board may not adopt, amend or repeal any bylaw that would

- (1) Change the minimum or maximum number of directors;
- (2) Change from a variable number of directors to a fixed number of directors.
- (3) Increase or extend the terms of directors;
- (4) Allow any director to hold office by designation or selection rather than by election by the members;
- (5) Increase the quorum for members' meetings;
- (6) Authorize voting by proxy; or
- (7) Authorize cumulative voting.

## **ARTICLE XI: GENERAL PROVISIONS**

**Section 11.1. Decisions Involving Financial Interest of a Director.** If any matter in which a director knows, or has reason to know, that such director has a direct or indirect financial interest in is to be voted upon by the board, such director shall notify the board prior to the vote of his or her interest and shall abstain from voting on that matter.

**Section 11.2. Contract With a Director.** No director shall, either directly or indirectly, enter into a contract with this Corporation unless (1) the material facts regarding that director's financial interest in such contract are fully disclosed in good faith to all members of the board prior to the board's consideration of such contract; (2) such contract is authorized in good faith by a majority of the board by a vote sufficient for that purpose without counting the votes of the interested director; (3) before authorizing or approving the transaction, the board considers and in good faith decides after reasonable investigation that the Corporation could not obtain a more advantageous arrangement with reasonable effort under the circumstances; and (4) the Corporation for its own benefit enters into the transaction, which is fair and reasonable to the Corporation at the time the transaction is entered into.

**Section 11.3. Determination of Conflict of Interest by the Board.** The board shall determine, by a majority vote on the basis of all facts, whether a conflict of interest exists with respect to a Corporation decision.

**Section 11.4. Litigation Involving the Corporation.** No person who has instituted legal action against the Corporation may serve or continue to serve as a director.

**Section 11.5. Loans to Directors.** This Corporation shall not lend any money or property to or guarantee the obligation of any director without the approval of the California Attorney General, provided, however, that the Corporation may advance money to a director of the Corporation for expenses reasonably anticipated to be incurred in the performance of his or her duties if that director would be entitled to reimbursement for such expenses by the Corporation.

**Section 11.6. Indemnification.** To the fullest extent permitted by law, this Corporation shall indemnify its directors and officers, and may indemnify employees and other persons described in Corporations Code §5238(a), including persons formerly occupying any such positions, against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred by them in connection with any “proceeding,” as that term is used in that section, and including an action by or in the right of the Corporation, by reason of the fact that the person is or was a person described in that section. “Expenses,” as used in this bylaw, shall have the same meaning as in that section of the Corporations Code.

On written request to the board by any person seeking indemnification under Corporations Code §5283 (c), the board shall promptly decide under Corporations Code §5238(e) whether the applicable standard of conduct set forth in Corporations Code §5238(b) or §5238(c) has been met and, if so, the board shall authorize indemnification. If the board cannot authorize indemnification, because the number of directors who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of directors who are not parties to that proceeding, the board shall promptly call a meeting of members. At that meeting, the members shall determine under Corporations Code §5238(e) whether the applicable standard of conduct has been met and, if so, the members present at the meeting in person or by proxy shall authorize indemnification.

To the fullest extent permitted by law and except as otherwise determined by the board in a specific instance, expenses incurred by a person seeking indemnification under Section 4.41 of these bylaws in defending any proceeding covered by those Sections shall be advanced by the corporation before final disposition of the proceeding, on receipt by the Corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately found that the person is entitled to be indemnified by the Corporation for those expenses.

**Section 11.7. Insurance.** This Corporation shall have the right, and shall use its best efforts, to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, directors, employees and other agents, to cover any liability asserted against or incurred by any officer, director, employee or agent in such capacity or arising from the officer’s director’s employee’s or agent’s status as such.

**Section 11.8. Captions and Titles.** All captions and titles used in these bylaws are intended solely for the reader’s convenience of reference and shall not affect the interpretation or application of any of the terms or provisions contained herein.

**Section 11.9. Severability.** These bylaws shall be deemed independent and severable. The invalidity or partial invalidity of any provision of these bylaws shall not affect the validity or enforceability of any other provision of these bylaws, which shall remain in full force and effect.