

Bylaws of

**Orinda Network for Education**

A California Nonprofit Public Benefit Corporation  
(As Amended and Restated on March \_\_\_\_, 2020)

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## **ARTICLE 1 NAME**

Section 1.1 Corporate Name. The name of this corporation is **Orinda Network for Education** (the “Corporation”). The business of the corporation may be conducted, in compliance with applicable laws, under such other name or names as the Board may determine, including “ONE Orinda.”

## **ARTICLE 2 OFFICES**

Section 2.1 Principal Office. The principal office for the transaction of the business of the Corporation may be established at any place or places within or without the State of California by resolution of the Corporation’s Board of Directors (“Board”).

Section 2.2 Other Offices. The Board may at any time establish branch or subordinate offices at any place or places where the Corporation is qualified to transact business.

## **ARTICLE 3 PURPOSES**

Section 3.1 General Purpose. The Corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Corporation Law of California (“California Nonprofit Corporation Law”) for public and charitable purposes.

Section 3.2 Specific Purpose. The specific and primary purposes for which the Corporation is formed are to operate for the advancement, support and promotion of education in all schools in the Orinda Union School District and Miramonte High School in the Acalanes Union High School District, each located in Orinda, California, and for other charitable purposes, including by the distribution of funds for such purposes.

## **ARTICLE 4 LIMITATIONS**

Section 4.1 Political Activities. The Corporation has been formed under California Nonprofit Corporation Law for the charitable purposes described in Article 3, and it shall be nonprofit and nonpartisan. No substantial part of the activities of the Corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in or intervene in any political campaign (including the publishing or distribution of statements) on behalf of, or in opposition to, any candidate for public office.

Section 4.2 Prohibited Activities. The Corporation shall not, except in any insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes described in Article 3. The Corporation may not carry on any activity for the profit of its Officers, Directors or other persons or distribute any gains, profits or dividends to its Officers, Directors or other persons as such. Furthermore, nothing in Article 3 shall be construed as allowing the Corporation to engage in any activity not permitted to be carried on (i) by a

corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”) or (ii) by a corporation, contributions to which are deductible under section 170(c)(2) of the Code.

## **ARTICLE 5 DEDICATION OF ASSETS**

Section 5.1 Property Dedicated to Nonprofit Purposes. The property of the Corporation is irrevocably dedicated to public and charitable purposes. No part of the net income or assets of the Corporation shall ever inure to the benefit of any of its Directors or Officers, or to the benefit of any private person, except that the Corporation is authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article 3 hereof.

Section 5.2 Distribution of Assets Upon Dissolution. Upon the dissolution or winding up of the Corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of the Corporation shall be distributed to one or more nonprofit funds, foundations or corporations which are organized and operated exclusively for public and charitable purposes and which has established its tax exempt status under Section 501(c)(3) of the Code.

## **ARTICLE 6 MEMBERSHIPS**

Section 6.1 Members. The Corporation shall have no members within the meaning of section 5056 of the California Nonprofit Corporation Law.

Section 6.2 Non-Voting Members. The Board may adopt policies and procedures for the admission of associate members or other designated members who shall have no voting rights in the Corporation. Such associate or other members are not “members” of the Corporation as defined in section 5056 of the California Nonprofit Corporation Law.

## **ARTICLE 7 DIRECTORS**

Section 7.1 Number. The authorized number of directors of the Corporation (“Directors”) shall be not less than 6 or more than 12 the exact authorized number to be fixed, within these limits, by resolution of the Board.

Section 7.2 Corporate Powers Exercised by Board. Subject to the provisions of the Articles of Incorporation of the Corporation (the “Articles of Incorporation”), California Nonprofit Corporation Law and any other applicable laws, the business and affairs of the Corporation shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board of Directors (the “Board”). The Board may delegate the management of the activities of the Corporation to any person or persons, management company or committee however composed, provided that the activities and affairs of the Corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board.

Section 7.3 Board Composition; Terms; Election of Successors.

7.3.1 Board Composition. The Directors shall consist of:

7.3.1.1 One (1) individual designated by the Glorietta Parents' Club (the "GPC") (such Director, the "GPC Director"), for so long as the Designation Conditions (defined below) are satisfied;

7.3.1.2 One (1) individual designated by the Sleepy Hollow Parents' Club (the "SHPC") (such Director, the "SHPC Director"), for so long as the Designation Conditions are satisfied;

7.3.1.3 One (1) individual designated by the Del Rey School Parents Club (the "DRSPC") (such Director, the "DRSDC Director"), for so long as the Designation Conditions are satisfied;

7.3.1.4 One (1) individual designated by the Wagner Ranch Parents' Club (the "WRPC") (such Director, the "WRPC Director"), for so long as the Designation Conditions are satisfied;

7.3.1.5 One (1) individual designated by the Orinda Intermediate School Parents' Club (the "OISPC") (such Director, the "OISPC Director"), for so long as the Designation Conditions are satisfied;

7.3.1.6 One (1) individual designated by the Miramonte High School Parents' Club (the "MHSPC", and together with GPC, SHPC, DRSPC, WRPC and OISPC, the "Clubs") (such Director, the "MHSPC Director", and together with GPC Director, SHPC Director, DRSDC Director, WRPC Director and OISPC Director, the "Club Directors"), for so long as the Designation Conditions are satisfied; and

7.3.1.7 The remainder of the Directors (the "Community Directors") shall be elected by the Board. In selecting the Community Directors, the Board may consider any criteria it believes relevant to broadly represent the Orinda community and other sources of support for the activities of the Corporation.

The term "Designation Conditions" shall mean the following with respect to a Club:

(a) Such Club shall be duly organized and validly existing under the California Non-Profit Public Benefit law and shall be recognized as a tax exempt organization under Section 501(c)(3) of the Internal Revenue Code;

(b) Such Club shall be a party to Orinda Network for Education Operating Agreement among the Corporation and the Clubs as in effect from time to time (the "Operating Agreement"), such Club shall not have notified the Corporation that such agreement will not be renewed with respect to such Club, and such Club shall be in substantial compliance with the terms of such agreement as determined by the Board from time to time;



(c) Such Club shall have participated in the annual fundraising campaign of the Corporation in accordance with the Operating Agreement and any rules duly set by the Board, as determined by the Board from time to time; and

(d) The individual designated by the Club, at the time of the individual's initial designation, holds or held within the past year (unless such condition is waived by the Board) any office within the Club substantially equivalent to that of Chair, President, Vice President, Treasurer, or chief fundraising officer.

7.3.2 Classes of Directors. For the purpose of creating staggered terms for Directors, the Board shall be and is divided into five classes, designated: Club Class I, Club Class II, Community Class I, Community Class II and Community Class III. Unless otherwise provided in these Bylaws, there shall be no distinction between classes of Directors. Each of Club Class I and II shall consist of three Club Directors and each of Community Class I, II and III shall, as nearly as may be possible, consist of one-third of the total number of Community Directors. The Board is authorized to assign Club Directors to Club Class I or II, and Community Directors to Community Class I, II or III at the time such classifications become effective. If the number of Community Directors is changed, any increase or decrease shall be apportioned among the Community Classes so as to maintain the number of Community Directors in each class as nearly equal as possible, and any such additional Community Director of any class elected to fill a newly created directorship resulting from an increase in such class shall hold office for a term that shall coincide with the remaining term of that class, but in no case shall a decrease in the number of directors remove or shorten the term of any incumbent Community Director.

7.3.3 Term; Election of Successors. Directors in Club Class I or II shall serve for the shorter or (a) two years or (b) until such time as the Club by which they were designated ceases to meet the Designation Conditions in Section 7.3.1.7 (a) – (c), and Directors in Community Class I, II or III shall serve three year terms, provided that the Board shall provide that the first directors elected after the effectiveness of these bylaws be designated to classes as provided in Section 7.3.2, that those in Club Class I or Community Class I shall serve for one year, and those elected to Club Class II or Community Class II shall serve for two years, and those in Community Class III for three years, subject in each case for a Club Director, to such Director's Club continuing to meet the Designation Conditions in Section 7.3.1.7 (a)-(c). The Board shall provide that Directors for each class where a term is expiring shall, to the extent practicable, be elected or designated so as to take office (and their predecessors terms shall end) at the close of the Board's last regular (or, if provided by the Board, special) meeting occurring prior to June 1 of each calendar year. The term of each Director shall continue until the election and qualification of his or her successor, subject to his or her earlier death, disability, disqualification, resignation, removal (or, in the case of a Club Director, the failure of the designating Club to continue to meet the Designation Conditions in Section 7.3.1.7 (a)- (c)), in accordance with these Bylaws and California Nonprofit Corporation Law. All Director terms pursuant to this Section 7.3.3 shall expire on June 30 of the

applicable year; provided, however, that any Director elected or designated as of the Effective Time (or after the Effective Time and before June 30, 2020) shall not have their term end (other than, in the case of a Club Director, for failure to meet the “Designation Conditions”) before the later of (i) June 30, 2021 and (ii) such date that their term would otherwise expire in accordance with the first sentence of this Section 7.3.3.

Section 7.4 Vacancies.

7.4.1 Events Causing Vacancy. A vacancy or vacancies on the Board shall be deemed to exist on the occurrence of the following: (i) the death, resignation or removal of any Director; (ii) whenever the number of authorized Directors is increased; or (iii) the failure of the Board, at any meeting at which any Director or Directors are to be elected, to elect the full authorized number of Directors.

7.4.2 Failure to Designate a Club Director. In the absence of any designation by a Club with the right to designate a Club Director as specified in Section 7.3.1, the Club Director previously designated by such Club and then serving shall continue to serve if (a) still eligible and willing to serve as provided herein and (b) the Designation Conditions in Section 7.3.1 continue to be met. Otherwise, such seat shall be vacant until a designation is made.

7.4.3 Removal. The Board may by resolution declare vacant the office of a Director who has been declared of unsound mind by an order of court, or convicted of a felony or found by final order or judgment of any court to have breached a duty under California Nonprofit Corporation Law. Directors may be removed without cause by a majority of Directors then in office.

7.4.4 No Removal on Reduction of Number of Directors. No reduction of the authorized number of Directors shall have the effect of removing any Director before that Director’s term of office expires unless the reduction also provides for the removal of that specified Director in accordance with these Bylaws and California Nonprofit Corporation Law.

7.4.5 Resignations. Except as provided in this Section 7.4.4, any Director may resign by giving written notice to the President, the Secretary or the Board. Such a written resignation will be effective on the later of (i) the date it is delivered or (ii) the time specified in the written notice that the resignation is to become effective. No Director may resign if the Corporation would then be left without a duly elected Director or Directors in charge of its affairs, except upon notice to the California Attorney General (the “Attorney General”).

7.4.6 Election to Fill Vacancies. If there is a vacancy on the Board, including a vacancy created by the removal of a Director, the Board may fill such vacancy by electing an additional director as soon as practicable after the vacancy occurs; provided, however, that Club Directors must be designated by the Clubs in accordance with Section 7.3.1. If the number of Directors then in office is less than a quorum, additional directors may be elected to fill such vacancies by (i) the unanimous written consent of the

Directors then in office, (ii) the affirmative vote of a majority of the Directors in office at a meeting held according to notice or waivers complying with section 5211 of the California Nonprofit Corporation Law, or (iii) a sole remaining Director.

Section 7.5 Regular Meetings. Each year, the Board shall hold at least one meeting, at a time and place fixed by the Board, for the purposes of election of Directors, appointment of Officers, review and approval of the corporate budget and transaction of other business. This meeting is sometimes referred to in these Bylaws as the “annual meeting.” While the Board shall fix its meeting schedule for each year, it is expected that the Board should meet at least four times per year. Unless otherwise designated, the last regular meeting prior to June 30 of each year, where Directors are elected, shall be the annual meeting. Other regular meetings of the Board may be held at such time and place as the Board may fix from time to time by resolution.

Section 7.6 Special Meetings. Special meetings of the Board for any purpose may be called at any time by the President, or a Vice President, or the Secretary, or any two Directors.

Section 7.7 Notice of Meetings.

7.7.1 Manner of Giving. Except when the time and place of a regular meeting is set by the Board in advance (as permitted by Section 7.5), notice of the time and place of all regular and special meetings shall be given to each Director by one of the following methods:

- (a) Personal delivery of oral or written notice;
- (b) First-class mail, postage paid;
- (c) Telephone, including a voice messaging system or other system or technology designed to record and communicate messages; or
- (d) Facsimile, electronic mail (“e-mail”) or other means of electronic transmission if the recipient has consented to accept notices in this manner.

All such notices shall be given or sent to the Director’s address, phone number, facsimile number or e-mail address as shown on the records of the Corporation. Any oral notice given personally or by telephone may be communicated directly to the Director or to a person who would reasonably be expected to promptly communicate such notice to the Director. Notice of regular meetings may be given in the form of a calendar or schedule that sets forth the date, time and place of more than one regular meeting.

7.7.2 Time Requirements. Notices sent by first-class mail shall be deposited into a United States mail box at least four days before the time set for the meeting. Notices given by personal delivery, telephone, voice messaging system or other system or technology designed to record and communicate messages, facsimile, e-mail or other electronic transmission shall be delivered at least 48 hours before the time set for the meeting.

7.7.3 Notice Contents. The notice shall state the time and place for the meeting, except that if the meeting is scheduled to be held at the principal office of the Corporation, the notice shall be valid even if no place is specified. The notice need not specify the purpose of the meeting unless required to elsewhere in these Bylaws.

Section 7.8 Place of Board Meetings. Regular and special meetings of the Board may be held at any place within or outside the state that has been designated in the notice of the meeting, or, if not stated in the notice or, if there is no notice, designated by resolution of the Board. If the place of a regular or special meeting is not designated in the notice or fixed by a resolution of the Board, it shall be held at the principal office of the Corporation.

7.8.1 Meetings by Telephone or Similar Communication Equipment. Any meeting may be held by conference telephone or other communications equipment permitted by California Nonprofit Corporation Law, as long as all Directors participating in the meeting can communicate with one another and all other requirements of California Nonprofit Corporation Law are satisfied. All such Directors shall be deemed to be present in person at such meeting.

Section 7.9 Quorum and Action of the Board

7.9.1 Quorum. A Quorum for the transaction of business shall consist of a majority of the Directors currently in office (but at least two), except to adjourn as provided in Section 7.11.

7.9.2 Minimum Vote Requirements for Valid Board Action. Every act taken or decision made by a vote of the majority of the Directors present at a meeting duly held at which a quorum is present is the act of the Board; unless a greater number is expressly required by California Nonprofit Corporation Law, the Articles of Incorporation or these Bylaws. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors from the meeting, if any action taken is approved by at least a majority of the required quorum for that meeting.

7.9.3 When a Greater Vote Is Required for Valid Board Action.

7.9.3.1 Board Protective Provisions. The following actions shall require a vote by a majority of all Directors then in office in order to be effective:

- (a) Approval of contracts or transactions in which a Director has a direct or indirect material financial interest as described in Section 10.1 (provided that the vote of any interested Director(s) is not counted);
- (b) Creation of, and appointment to, Committees (but not advisory committees) as described in Section 8.1;
- (c) Removal of a Director without cause as described in Section 7.4.2;
- (d) Indemnification of Directors as described in Article 11; and

(e) Subject to Section 15.1, Amendment of the Articles or Bylaws of the Corporation.

7.9.3.2 Club Protective Provisions. The Corporation shall not, either directly or indirectly, do any of the following without (in addition to any other vote required by law or these Bylaws) the written consent or affirmative vote noted below:

(a) Any determination that the Operating Agreement as in effect from time to time requires be made by a “Supermajority Vote” shall require (a) a majority of the Club Directors which majority must include at least one Director designated by OISPC or MHSPC, and (b) a majority of all of the Directors then in office; and

(b) Any reallocation of funds collected by and allocated to one Club under the Operating Agreement to the benefit of students at other schools that is not authorized as provided in applicable provisions of the Operating Agreement as in force from time to time shall require (in addition to Board approval) the vote of the Club Director designated by such school.

Section 7.10 Waiver of Notice. The transactions of any meeting of the Board, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (i) a quorum is present, and (ii) either before or after the meeting, each of the Directors who is not present at the meeting signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent does not need to 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 meeting. Also, notice of a meeting is not required to be given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice. Directors can protest the lack of notice only by presenting a written protest to the Secretary either in person, by first-class mail addressed to the Secretary at the principal office of the Corporation as contained on the records of the Corporation as of the date of the protest or by facsimile addressed to the facsimile number of the Corporation as contained on the records of the Corporation as of the date of the protest.

Section 7.11 Adjournment. A majority of the Directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place.

Section 7.12 Notice of Adjournment. Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than 24 hours, in which case personal notice of the 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 7.13 Conduct of Meetings. Meetings of the Board shall be presided over by the President or, if the President is absent, by a Vice President or, in the absence of each of these persons, by a chairperson of the meeting, chosen by a majority of the Directors present at the meeting. The Secretary shall act as secretary of all meetings of the Board, provided that, if the Secretary is absent, the presiding officer shall appoint another person to act as secretary of the

meeting. Meetings shall be governed by rules of procedure as may be determined by the Board from time to time, insofar as such rules are not inconsistent with or in conflict with these Bylaws, with the Articles, or with any provisions of law applicable to the Corporation.

Section 7.14 Action without Meeting. Any action required or permitted to be taken by the Board may be taken without a meeting, if all members of the Board, individually or collectively, consent in writing to the action. For the purposes of this Section 7.14 only, “all members of the Board” shall not include any “interested Director” as defined in section 5233 of the California Nonprofit Corporation Law. Such written consent shall have the same force and effect as a unanimous vote of the Board taken at a meeting. Such written consent or consents shall be filed with the minutes of the proceedings of the Board.

Written consent may be transmitted by first-class mail, messenger, courier, facsimile, e-mail or any other reasonable method satisfactory to the President or the Board.

Section 7.15 Fees and Compensation of Directors. The Corporation shall not pay any compensation to Directors for services rendered to the Corporation as Directors, except that Directors may be reimbursed for expenses incurred in the performance of their duties to the Corporation, in reasonable amounts as approved by the Board.

Also, Directors may not be compensated for rendering services to the Corporation in a capacity other than as Director, unless such compensation is reasonable and further provided that not more than 49% of the persons serving as Directors may be “interested persons” which, for purposes of this Section 7.15 only, means:

- (a) any person currently being compensated by the Corporation for services rendered to it within the previous 12 months, whether as a full or part-time Officer or other employee, independent contractor or otherwise, excluding any reasonable compensation paid to a Director as Director; or
- (b) 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 any such person.

Section 7.16 Non-Liability of Directors. The Directors shall not be personally liable for the debts, liabilities or other obligations of the Corporation.

## **ARTICLE 8 COMMITTEES**

Section 8.1 Committees of Directors. The Board may, by resolution adopted by a majority of the Directors then in office, create one or more Board Committees (“Committees”), including an executive committee, each consisting of two or more Directors, to serve at the discretion of the Board. Any Committee, to the extent provided in the resolution of the Board, may be given the authority of the Board except that no Committee may:

- (a) approve any action for which the California Nonprofit Corporation Law also requires approval of the members or approval of a majority of all members;
- (b) fill vacancies on the Board or in any Committee which has the authority of the Board;
- (c) fix compensation of the Directors for serving on the Board or on any Committee;
- (d) amend or repeal Bylaws or adopt new Bylaws;
- (e) amend or repeal any resolution of the Board which by its express terms is not so amendable or repealable;
- (f) appoint any other Committees or the members of these Committees;
- (g) expend corporate funds to support a nominee for Director after more persons have been nominated than can be elected;
- (h) take any action that would, if taken by the Board, require the vote required by Section 7.9.3; or
- (i) Approve any transaction (i) between the Corporation and one or more of its Directors or (ii) between the Corporation and any entity in which one or more of its Directors have a material financial interest.

Section 8.2 Meetings and Action of Board Committees. Meetings and action of Committees shall be governed by, and held and taken in accordance with, the provisions of Article 7 concerning meetings of Directors, with such changes in the context of Article 7 as are necessary to substitute the Committee and its members for the Board and its members, except that the time for regular meetings of Committees may be determined by resolution of the Board, and special meetings of Committees may also be called by resolution of the Board. Minutes shall be kept of each meeting of any Committee and shall be filed with the corporate records. The Committee shall report to the Board from time to time as the Board may require. The Board may adopt rules for the governance of any Committee not inconsistent with the provisions by these Bylaws. In the absence of rules adopted by the Board, the Committee may adopt such rules.

Section 8.3 Quorum Rules for Board Committees. A majority of the Committee members shall constitute a quorum for the transaction of Committee business, except to adjourn. A majority of the Committee members present, whether or not constituting a quorum, may adjourn any meeting to another time and place. Every act taken or decision made by a majority of the Committee members present at a meeting duly held at which a quorum is present shall be regarded as an act of the Committee, subject to the provisions of the California Nonprofit Corporation Law relating to actions that require a majority vote of the entire Board. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the

withdrawal of Committee members, if any action taken is approved by at least a majority of the required quorum for that meeting.

Section 8.4 Revocation of Delegated Authority. The Board may, at any time, revoke or modify any or all of the authority that the Board has delegated to a Committee, increase or decrease (but not below two) the number of members of a Committee and fill vacancies in a Committee from the members of the Board.

Section 8.5 Nonprofit Integrity Act/Audit Committee. In any fiscal year in which the Corporation receives or accrues gross revenues of two million dollars or more (excluding grants from, and contracts for services with, governmental entities for which the governmental entity requires an accounting of the funds received), the Board shall (i) prepare annual financial statements using generally accepted accounting principles that are audited by an independent certified public accountant (“CPA”) in conformity with generally accepted auditing standards; (ii) make the audit available to the Attorney General and to the public on the same basis that the Internal Revenue Service Form 990 is required to be made available; and (iii) appoint an Audit Committee.

The Audit Committee shall not include paid or unpaid staff or employees of the Corporation, including, its staff members or employees, the President or chief executive officer or the Treasurer or chief financial officer (if any). If there is a finance committee, members of the finance committee shall constitute less than 50% of the membership of the Audit Committee and the chairperson of the Audit Committee shall not be a member of the finance committee. Subject to the supervision of the Board, the Audit Committee shall:

- (a) Make recommendations to the Board on the hiring and firing of the CPA;
- (b) Confer with the CPA to satisfy Audit Committee members that the financial affairs of the Corporation are in order;
- (c) Approve non-audit services by the CPA and ensure such services conform to standards in the Yellow Book issued by the United States Comptroller General; and
- (d) If requested by the Board, negotiate the CPA’s compensation on behalf of the Board.

Section 8.6 Investment Committee. The Board shall create an Investment Committee consisting of two or more Directors and unless such Committee will exercise Board powers, such other qualified individuals as the Board may determine. The Investment Committee shall perform such duties in managing the Corporation’s investments as the Board may designate from time to time, which may include (a) setting policies and procedures for investment and reinvestment of funds, (b) selecting investments, (c) determining the allocation of assets among investments, (d) recommending to the Board the selection and compensation of outside investment advisors; (e) evaluating investment performance, and (f) otherwise seeking to maximize investment performance consistent with prudence and applicable legal requirements,



in all cases consistent with any requirements of the Master OA and any other obligations of the Corporation, including without limitation any gift conditions.

Section 8.7 Community Advisory Board. The Board shall create a Community Advisory Board to advise the Board on community relations, assist the Board with community outreach and events, and identifying new sources of funding and support for the Corporation.

Section 8.8 Other Advisory Committees. The Board may create one or more other advisory committees to serve at the pleasure of the Board. Appointments to such advisory committees need not, but may, be Directors. The Board shall appoint and discharge advisory committee members. All actions and recommendations of an advisory committee shall require ratification by the Board before being given effect.

## **ARTICLE 9 OFFICERS**

Section 9.1 Officers. The officers of the Corporation (“Officers”) shall include a President, or two or more Co-Presidents, a Secretary, and a Treasurer or chief financial officer, or both. These persons may but shall not be required to be Directors. The Board shall have the power to designate additional Officers, including Vice Presidents, with such duties, powers, titles and privileges as the Board may fix, including such Officers as may be appointed in accordance with Section 9.6.6. Any number of offices may be held by the same person, except that the Secretary, the Treasurer and the chief financial officer (if any) may not serve concurrently as the President. To the extent that the President is not a Director, the Board shall elect a Chairperson to carry out the duties related to Board meetings contemplated in Section 9.6.1.

Section 9.2 Election of Officers. The Officers, except those appointed in accordance with Section 9.6.6, shall be elected by the Board at the annual meeting of the Corporation for a term of one year, and each shall serve at the discretion of the Board until his or her successor shall be elected, or his or her earlier resignation or removal. Officers may be elected for consecutive terms.

Section 9.3 Removal of Officers. Any Officer may be removed, with or without cause, (i) by the Board, at any regular or special meeting of the Board, or at the annual meeting of the Corporation, or (ii) by an Officer on whom such power of removal may be conferred by the Board.

Section 9.4 Resignation of Officers. Any Officer may resign at any time by giving written notice to the Corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any of the Corporation under any contract to which the Officer is a party.

Section 9.5 Vacancies in Offices. A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these Bylaws for regular appointments to that office, provided that such vacancies shall be filled as they occur and not on an annual basis. In the event of a vacancy in any office other than

the President or one appointed in accordance with Section 9.6.6, such vacancy shall be filled temporarily by appointment by the President, and the appointee shall remain in office for 60 days, or until the next regular meeting of the Board, whichever comes first. Thereafter, the position can be filled only by action of the Board.

Section 9.6 Responsibilities of Officers.

9.6.1 President or Co-Presidents. The President or Co-Presidents of the Corporation (the “President”) shall (unless the Board has vested such authority in the Executive Director) be the chief executive officer(s) of the Corporation, and shall have such authority as is assigned from time to time by the Board. If the President is a Director, he or she shall preside at meetings of the Board.

9.6.2 Executive Director. The Board may from time to time appoint an Executive Director (who may have such titles as the Board may determine) to supervise the day to day management of the Corporation and to have such other duties as the Board may from time to time assign.

9.6.3 Vice President. The vice presidents of the Corporation (the “Vice Presidents”) shall, in the absence or disability of the President, perform all the duties of the President and, when so acting, have all the powers of and be subject to all the restrictions upon, the President. The Vice Presidents shall have such other powers and perform such other duties as may be prescribed by the Board.

9.6.4 Secretary. The secretary of the Corporation (the “Secretary”) shall attend to the following:

9.6.4.1 Bylaws. The Secretary shall certify and keep or cause to be kept at the principal office of the Corporation the original or a copy of these Bylaws as amended to date.

9.6.4.2 Minute Book. The Secretary shall keep or cause to be kept a minute book as described in Section 12.1.

9.6.4.3 Notices. The Secretary shall give, or cause to be given, notice of all meetings of the Board in accordance with these Bylaws.

9.6.4.4 Corporate Records. Upon request, the Secretary shall exhibit or cause to be exhibited at all reasonable times to any Director, or to his or her agent or attorney, these Bylaws and the minute book.

9.6.4.5 Corporate Seal and Other Duties. The Secretary shall keep or cause to be kept the seal of the Corporation, if any, in safe custody, and shall have such other powers and perform such other duties incident to the office of Secretary as may be prescribed by the Board or these Bylaws.

9.6.5 Treasurer. The treasurer of the Corporation (the “Treasurer”) shall attend to the following:

9.6.5.1 Books of Account. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings and other matters customarily included in financial statements. The books of account shall be open to inspection by any Director at all reasonable times.

9.6.5.2 Financial Reports. The Treasurer shall prepare, or cause to be prepared, and certify, or cause to be certified, the financial statements to be included in any required reports.

9.6.5.3 Deposit and Disbursement of Money and Valuables. The Treasurer shall 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 may be designated by the Board; shall disburse, or cause to be disbursed, the funds of the Corporation as may be ordered by the Board; shall render, or cause to be rendered to the President and Directors, whenever they request it, an account of all of his or her transactions as Treasurer and of the financial condition of the Corporation; and shall have other powers and perform such other duties incident to the office of Treasurer as may be prescribed by the Board or these Bylaws.

9.6.5.4 Bond. If required by the Board, the Treasurer shall give the Corporation a bond in the amount and with the surety or sureties specified by the Board for faithful performance of the duties of his office and for restoration to the Corporation of all its books, papers, vouchers, money and other property of every kind in his possession or under his control on his death, resignation, retirement or removal from office.

9.6.6 Additional Officers. The Board may empower the President to appoint or remove such other Officers as the business of the Corporation may require, each of whom shall hold office for such period, have such authority, and perform such duties as are provided in these Bylaws or as the Board from time to time may determine.

Section 9.7 Fees and Compensation of Officers. Officers of the Corporation may or may not be volunteers. The Board shall have the power to compensate any Officer for services if the Board so determines. In addition, Officers may be reimbursed for expenses incurred in the performance of their duties to the Corporation, in reasonable amounts as approved by the Board. Nothing in these Bylaws shall limit the authority of the Board to hire (or authorize any Officer to hire) employees, or to give such employees such titles and duties (including as Officers) as the Board (or such authorized Officer) may determine.

Notwithstanding the foregoing authorization, Officers may not be compensated for rendering services to the Corporation in a capacity other than as Officers, unless such compensation is reasonable and further provided that not more than 49% of the persons serving as Officers may be “interested persons” as defined by Section 7.15.

**ARTICLE 10**  
**TRANSACTIONS BETWEEN CORPORATION AND DIRECTORS OR OFFICERS**

Section 10.1 Transactions with Directors and Officers.

10.1.1 Interested Party Transactions. Except as described in Section 10.1.2, the Corporation shall not be a party to any transaction:

- (a) in which one or more of its Directors or Officers has a material financial interest, or
- (b) with any corporation, firm, association or other entity in which one or more Directors or Officers has a material financial interest.

10.1.2 Requirements to Authorize Interested Party Transactions. The Corporation shall not be a party to any transaction described in 10.1.1 unless:

- (a) the Corporation enters into the transaction for its own benefit;
- (b) the transaction is fair and reasonable to the Corporation at the time the transaction is entered into;
- (c) prior to consummating the transaction or any part thereof, the Board authorizes or approves the transaction in good faith, by a vote of a majority of Directors then in office (without counting the vote of the interested Directors), and with knowledge of the material facts concerning the transaction and the interested Director's or Officer's financial interest in the transaction;
- (d) prior to authorizing or approving the transaction, the Board considers and in good faith determines after reasonable investigation that the Corporation could not obtain a more advantageous arrangement with reasonable effort under the circumstances; and
- (e) the minutes of the Board meeting at which such action was taken reflect that the Board considered and made the findings described in paragraphs (a) through (d) of this Section 10.1.2.

10.1.3 Material Financial Interest. A Director or Officer shall not be deemed to have a "material financial interest" in a transaction:

- (a) that fixes the compensation of a Director as a Director or Officer;
- (b) if the contract or transaction is part of a public or charitable program of the Corporation and it (1) is approved or authorized by the Corporation in good faith and without unjustified favoritism, and (2) results in a benefit to one or more Directors or their families only because they are in the class of persons intended to be benefited by the program; or

(c) where the interested Director has no actual knowledge of the transaction and it does not exceed the lesser of one percent of the gross receipts of the corporation for the preceding year or \$100,000.

Section 10.2 Loans to Directors and Officers. The Corporation shall not make any loan of money or property to or guarantee the obligation of any Director or Officer, unless approved by the Attorney General; except that, however, the Corporation may advance money to a Director or Officer for expenses reasonably anticipated to be incurred in the performance of duties of such Director or Officer, if in the absence of such advance, such Director or Officer would be entitled to be reimbursed for such expenses by the Corporation.

The limitation above does not apply if (i) the loan is necessary, in the judgment of the Board, to provide financing for the purchase of the principal residence of an Officer in order secure the services of (or continued services of) the Officer and the loan is secured by real property located in California; or (ii) the loan is for the payment of premiums on a life insurance policy on the life of a Director or Officer and repayment to the Corporation of the amount paid by it is secured by the proceeds of the policy and its cash surrender value.

Section 10.3 Interlocking Directorates. No contract or other transaction between the Corporation and any corporation, firm or association of which one or more Directors are directors is either void or voidable because such Director(s) are present at the Board or Committee meeting that authorizes, approves or ratifies the contract or transaction, if (i) the material facts as to the transaction and as to such the Board or Committee authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient without counting the vote of the common Director(s) (subject to the quorum provisions of Article 7); or if (ii) the contract or transaction is just and reasonable as to the Corporation at the time it is authorized, approved or ratified.

Section 10.4 Duty of Loyalty; Construction with Article 11. Nothing in this in Article 10 shall be construed to derogate in any way from the absolute duty of loyalty that every Director and Officer owes to the Corporation. Furthermore, nothing in this Article 10 shall be construed to override or amend the provisions of Article 11. All conflicts between the two articles shall be resolved in favor of Article 11.

## **ARTICLE 11**

### **INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS**

Section 11.1 Definitions. For purpose of this Article 11,

11.1.1 "Agent." Agent means any person who is or was a Director, Officer, employee or other agent of the Corporation, or is or was serving at the request of the Corporation as a Director, Officer, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise or was a Director, Officer, employee or agent of a foreign or domestic corporation that was a predecessor corporation of the Corporation or of another enterprise at the request of the predecessor corporation;

11.1.2 “Proceeding.” Proceeding means any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative; and

11.1.3 “Expenses.” Expenses include, without limitation, all attorneys’ fees, costs and any other expenses reasonably incurred in the defense of any claims or proceedings against an Agent by reason of his or her position or relationship as Agent and all attorneys’ fees, costs and other expenses reasonably incurred in establishing a right to indemnification under this Article 11.

Section 11.2 Applicability of Indemnification Provisions.

11.2.1 Successful Defense by Agent. To the extent that an Agent has been successful on the merits in the defense of any proceeding referred to in this Article 11, or in the defense of any claim, issue or matter therein, the Agent shall be indemnified against expenses actually and reasonably incurred by the Agent in connection with the claim.

11.2.2 Settlement or Unsuccessful Defense by Agent. If an Agent either settles any proceeding referred to in this Article 11, or any claim, issue or matter therein, or sustains a judgment rendered against him, then the provisions of Section 11.3 through Section 11.6 shall determine whether the Agent is entitled to indemnification.

Section 11.3 Actions Brought by Persons Other than the Corporation. This Section 11.3 applies to any proceeding other than an action “by or on behalf of the corporation” as defined in Section 11.4. Such proceedings that are not brought by or on behalf of the Corporation are referred to in this Section 11.3 as “Third Party proceedings.”

11.3.1 Scope of Indemnification in Third Party Proceedings. Subject to the required findings to be made pursuant to Section 11.3.2, the Corporation shall, to the fullest extent permitted by California law, indemnify any person who was or is a party, or is threatened to be made a party, to any Third Party proceeding, by reason of the fact that such person is or was an Agent, for all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with the proceeding.

11.3.2 Required Standard of Conduct for Indemnification in Third Party Proceedings. Any indemnification granted to an Agent in Section 11.3.1 above is conditioned on the following. The Board must determine, in the manner provided in Section 11.5, that the Agent seeking reimbursement acted in good faith, in a manner he or she reasonably believed to be in the best interest of the Corporation, and, in the case of a criminal proceeding, he or she must have had no reasonable cause to believe that his or her conduct was unlawful. The termination of any proceeding by judgment, order, settlement, conviction or on a plea of *nolo contendere* or its equivalent shall not, of itself, create a presumption that the person did not act in good faith or in a manner he or she reasonably believed to be in the best interest of the Corporation or that he or she had reasonable cause to believe that his or her conduct was unlawful.

Section 11.4 Action Brought by or on Behalf of the Corporation. This Section 11.4 applies to any proceeding brought (i) by or in the right of the Corporation, or (ii) by an Officer,

Director or person granted relator status by the Attorney General, or by the Attorney General, on the ground that the defendant Director was or is engaging in self-dealing within the meaning of section 5233 of the California Nonprofit Corporation Law, or (iii) by the Attorney General or person granted relator status by the Attorney General for any breach of duty relating to assets held in charitable trust (any such proceeding is referred to in these Bylaws as a proceeding “by or on behalf of the Corporation”).

11.4.1 Scope of Indemnification in Proceeding by or on Behalf of the Corporation. Subject to the required findings to be made pursuant to Section 11.4.2, and except as provided in Sections 11.4.3 and 11.4.4, the Corporation may indemnify any person who was or is a party, or is threatened to be made a party, to any proceeding by or on behalf of the Corporation, by reason of the fact that such person is or was an Agent, for all expenses actually and reasonably incurred in connection with the defense or settlement of such action.

11.4.2 Required Standard of Conduct for Indemnification in Proceeding by or on Behalf of the Corporation. Any indemnification granted to an Agent in Section 11.4.1 is conditioned on the following. The Board must determine, in the manner provided in Section 11.5, that the Agent seeking reimbursement acted in good faith, in a manner he or she believed to be in the best interest of the Corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

11.4.3 Claims Settled Out of Court. If any Agent settles or otherwise disposes of a threatened or pending action brought by or on behalf of the Corporation, with or without court approval, the Agent shall receive no indemnification for amounts paid pursuant to the terms of the settlement or other disposition. Also, in cases settled or otherwise disposed of without court approval, the Agent shall receive no indemnification for expenses reasonably incurred in defending against the proceeding, unless the proceeding is settled with the approval of the Attorney General.

11.4.4 Claims and Suits Awarded Against Agent. If any Agent is adjudged to be liable to the Corporation in the performance of the Agent’s duty to the Corporation, the Agent shall receive no indemnification for amounts paid pursuant to the judgment, and any indemnification of such Agent under Section 11.4.1 for expenses actually and reasonably incurred in connection with the defense of that action shall be made only if both of the following conditions are met:

(a) The determination of good faith conduct required by Section 11.4.2 must be made in the manner provided for in Section 11.5; and

(b) Upon application, the court in which the action was brought must determine that, in view of all of the circumstances of the case, the Agent is fairly and reasonably entitled to indemnity for the expenses incurred. If the Agent is found to be so entitled, the court shall determine the appropriate amount of expenses to be reimbursed.

Section 11.5 Determination of Agent's Good Faith Conduct. The indemnification granted to an Agent in Section 11.3 and Section 11.4 is conditioned on the findings required by those Sections being made by:

(a) the Board by a majority vote of a quorum consisting of Directors who are not parties to the proceeding; or

(b) the court in which the proceeding is or was pending. Such determination may be made on application brought by the Corporation or the Agent or the attorney or other person rendering a defense to the Agent, whether or not the application by the Agent, attorney or other person is opposed by the Corporation.

Section 11.6 Limitations. No indemnification or advance shall be made under this Article 11, except as provided in Section 11.2.1 or Section 11.5(b), in any circumstances when it appears:

(a) that the indemnification or advance would be inconsistent with a provision of the Articles of Incorporation, as amended, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

(b) that the indemnification would be inconsistent with any condition expressly imposed by a court in approving a settlement.

Section 11.7 Advance of Expenses. Expenses incurred in defending any proceeding may be advanced by the Corporation before the final disposition of the proceeding on receipt of an undertaking by or on behalf of the Agent to repay the amount of the advance unless it is determined ultimately that the Agent is entitled to be indemnified as authorized in this Article 11.

Section 11.8 Contractual Rights of Non-Directors and Non-Officers. Nothing contained in this Article 11 shall affect any right to indemnification to which persons other than Directors and Officers of the Corporation, or any of its subsidiaries, may be entitled by contract otherwise.

Section 11.9 Insurance. The Board may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any Agent, as defined in this Article 11, against any liability asserted against or incurred by any Agent in such capacity or arising out of the Agent's status as such, whether or not the Corporation would have the power to indemnify the Agent against the liability under the provisions of this Article 11.

## **ARTICLE 12 CORPORATE RECORDS, REPORTS AND SEAL**

Section 12.1 Minute Book. The Corporation shall keep a minute book in written form which shall contain a record of all actions by the Board or any committee including (i) the time, date and place of each meeting; (ii) whether a meeting is regular or special and, if special, how



called; (iii) the manner of giving notice of each meeting and a copy thereof; (iv) the names of those present at each meeting of the Board or any Committee thereof; (v) the minutes of all meetings; (vi) any written waivers of notice, consents to the holding of a meeting or approvals of the minutes thereof; (vii) all written consents for action without a meeting; (viii) all protests concerning lack of notice; and (ix) formal dissents from Board actions.

Section 12.2 Books and Records of Account. The Corporation shall keep adequate and correct books and records of account. "Correct books and records" includes, but is not necessarily limited to: accounts of properties and transactions, its assets, liabilities, receipts, disbursements, gains and losses.

Section 12.3 Articles of Incorporation and Bylaws. The Corporation shall keep at its principal office the original or a copy of the Articles of Incorporation and Bylaws as amended to date.

Section 12.4 Maintenance and Inspection of Federal Tax Exemption Application and Annual Information Returns. The Corporation shall at all times keep at its principal office a copy of its federal tax exemption application and, for three years from their date of filing, its annual information returns. These documents shall be open to public inspection and copying to the extent required by the Code.

Section 12.5 Annual Report; Statement of Certain Transactions. The Board shall cause an annual report to be sent to each Director and each Club within 120 days after the close of the Corporation's fiscal year containing the following information:

- (a) The assets and liabilities of the Corporation as of the end of the fiscal year;
- (b) The principal changes in assets and liabilities, including trust funds, during the fiscal year;
- (c) The revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes, for this fiscal year;
- (d) The expenses or disbursements of the Corporation for both general and restricted purposes during the fiscal year;
- (e) A statement of any transaction (i) to which the Corporation, its parent, or its subsidiary was a party, (ii) which involved more than \$50,000 or which was one of a number of such transactions with the same person involving, in the aggregate, more than \$50,000, and (iii) in which either of the following interested persons had a direct or indirect material financial interest (a mere common directorship is not a financial interest);
  - (1) Any Director or Officer of the Corporation, its parent or its subsidiary;

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

The statement shall include: (i) a brief description of the transaction; (ii) the names of interested persons involved; (iii) their relationship to the Corporation; (iv) the nature of their interest in the transaction, and; (v) when practicable, the amount of that interest, provided that, in the case of a partnership in which such person is a partner, only the interest of the partnership need be stated.

(f) A brief description of the amounts and circumstances of any loans, guaranties, indemnifications or advances aggregating more than \$10,000 paid during the fiscal year to any Officer or Director under Article 10 or Article 11.

Section 12.6 Directors' Rights of Inspection. Every Director shall have the absolute right at any reasonable time to inspect the books, records, documents of every kind and physical properties the Corporation and each of its subsidiaries. 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 documents.

Section 12.7 Corporate Seal. The corporate seal, if any, shall be in such form as may be approved from time to time by the Board. Failure to affix the seal to corporate instruments, however, shall not affect the validity of any such instrument.

### **ARTICLE 13 EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS**

Section 13.1 Execution of Instruments. The Board, except as otherwise provided in these Bylaws, may by resolution authorize any Officer or agent of the Corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances. Unless so authorized, no Officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

Section 13.2 Checks and Notes. Except as otherwise determined by resolution of the Board, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money and other evidence of indebtedness of the Corporation shall be signed by two Officers of the Corporation. Checks that are less than \$500 may be signed by the bookkeeper of the Corporation or the Treasurer alone without a second signature.

Section 13.3 Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board may select. The Corporation shall maintain such accounts and records as are necessary to account for funds as contemplated by the Operating Agreement and to otherwise ensure accountability to the Board. Funds shall be managed as provided by the Board, subject to any requirements relating to funds allocable to individual Clubs as provided in the Operating Agreement.

Section 13.4 Gifts. The Board may accept on behalf of the Corporation any contribution, gift, bequest or devise for the charitable or public purposes of the Corporation.

#### **ARTICLE 14 CONSTRUCTION AND DEFINITIONS**

Unless the context requires otherwise, the general provisions, rules of construction and definitions of California Nonprofit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of the above, the masculine gender includes the feminine and neuter, the singular number includes the plural, the plural number includes the singular and the term “person” includes both the Corporation and a natural person. All references to statutes, regulations and laws shall include any future statutes, regulations and laws that replace those referenced.

#### **ARTICLE 15 AMENDMENTS; EFFECTIVE TIME**

Section 15.1 Amendment by Directors. The Board may adopt, amend or repeal these Bylaws. Such power is subject to the following limitations:

- (a) Where any provision of these Bylaws requires the vote of a larger proportion of the Directors than otherwise is required by law, such provision may not be altered, amended or repealed except by the vote of such greater number.
- (b) No amendment may extend the term of a Director beyond that for which such Director was elected.
- (c) If these Bylaws are adopted, amended or repealed at a meeting of the Board, such action is authorized only at a duly called and held meeting for which written notice of such meeting, setting forth the proposed bylaw revisions with explanations therefor, is given in accordance with these Bylaws, unless such notice is waived in accordance with these Bylaws.

Section 15.2 Effective Time of March 2020 Amendment. The amendment and restatement of these bylaws in March 2020 shall be effective on the last to occur of (a) the adjournment of meeting at which the Board adopted these bylaws and (b) the date the Corporation executed the initial version of the Operating Agreement (such time, the “Effective Time”).

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## CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of **The Orinda Network for Education**, a California nonprofit public benefit corporation; that these Bylaws, consisting of 22 pages, are the Bylaws of this Corporation as adopted by the Board of Directors on March 5, 2020; and that these Bylaws have not been amended or modified since that date.

Executed on May 25, 2020, at Orinda, California.

*Clay Deanhardt*

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Clay Deanhardt  
Secretary