

# Bylaws

*Submitted for ratification by the Board and Membership of Counter Culture Labs on 3/17/2015 (3.0)*

## **ARTICLE 1: NAME**

### **Section 1.1 Corporate Name**

The name of this corporation is Counter Culture Labs.

## **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 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, scientific, and charitable purposes.

### **Section 3.2 Specific Purpose**

The specific purpose of the Corporation shall include without limitation, to foster citizen science, scientific literacy, exploration, discovery, and innovation by providing an open space for learning, experimentation, tinkering, socializing and community projects for the public good.

### **Section 3.3 Value statement**

Counter Culture Labs agrees to adhere to the following DIYbio code of ethics:

**OPEN ACCESS** – Promote citizen science and decentralized access to the tools of science.

**TRANSPARENCY** – Emphasize transparency, the sharing of ideas, knowledge and data.

**EDUCATION** – Engage the public about science and its possibilities.

**SAFETY** – Adopt safe practices.

**ENVIRONMENT** – Respect the environment.

**PEACEFUL PURPOSES** – Science should only be used for peaceful purposes.

**TINKERING** – Tinkering with science leads to insight; insight leads to innovation.

**COMMUNITY** – Reach out to the local community, carefully listen to any concerns and questions and respond honestly.

The Board shall make reasonable efforts to include directors, committee members, and members who

represent the diversity of the State of California, including, but not limited to, factors such as race, age, ethnicity, gender, sexual orientation or geography. Directors shall support the goals, philosophies and objectives of the Corporation and the laws and regulations under which it is founded.

## **ARTICLE 4: LIMITATIONS**

### **Section 4.1 Political Activities**

The Corporation has been formed under California Nonprofit Law for the charitable purposes described in Article 3, and it shall be a 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 engage in any activities or exercise 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, board members or other persons or distribute any gains, profits or dividends to its Officers, board members, or other persons as such. Furthermore, nothing in Article 3 shall be construed as 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 Service Code of 1986, amended (the "Code") or (ii) by a corporation, contributions to which are deducted 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 the assets of the Corporation shall ever inure to the benefit of any of its board members 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 the 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 a nonprofit fund, foundation, or corporation which is organized and operated exclusively for public and charitable purposes and which has established this tax exempt status under Section 501(c)(3) of the Code.

## **ARTICLE 6: MEMBERSHIPS**

### **Section 6.1 Members**

This corporation will have one class of members. Any person who has signed the membership agreement, and pays monthly dues (directly or subsidized by the board), is a valid member.

## **Section 6.2 Membership Rights**

All members, in good standing, have the right to vote as set forth in the bylaws, on the election of board members; removal of board members; the disposition of all or substantially all of the Corporation's assets; any merger and its principal terms; any amendment to those terms; and on any election to dissolve the Corporation. In addition, members have the right to enter Counter Culture Labs premises and facilities, and shall have all the rights afforded members under California Nonprofit Public Benefit Corporation Law, section 5056.

## **Section 6.3 Members' Dues, Fees, and Assessments**

Each member must pay within the time and on the conditions set by the Board; the dues, fees, and assessments are to be fixed by the Board. Members' monthly dues may be subsidized by the corporation for services rendered as considered on a case-by-case basis with the Board.

## **Section 6.4 Members in Good Standing**

Members who have paid the required dues, fees, and assessments in accordance with the bylaws, who are not suspended, are members in good standing.

## **Section 6.5 Termination of Membership**

A membership shall terminate on the occurrence of any of the following events:

- (a) Resignation of the member;
- (b) Expiration of the period of membership, unless the membership is renewed on the renewal terms fixed by the Board;
- (c) The member's failure to pay dues, fees, or assessments set by the Board within 30 days after they are due and payable;
- (d) Any event that renders the member ineligible for membership;
- (e) Good faith determination of the Board or a committee authorized by the Board to make such a determination, that a 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 6.6 Termination of Membership-Procedure**

If grounds for termination of a member under Section 6.5 of these bylaws ("Termination of Membership"), the following procedure shall be followed:

- (a) The Board shall give the member 15 days prior notice of the proposed termination and the reasons for the proposed termination. Lab access will be suspended immediately until the suspension is ratified or nullified by the Board. Notice shall be given by any method reasonably calculated to provide notice. Notice given by email to the member's address as shown on the Corporation's records.
- (b) The member shall be given the opportunity to be heard, either orally or in writing, at least five days before the effective date of the proposed termination. The hearing shall be held, or the written statement considered, by the Board or by a committee authorized by the Board to determine whether the termination should occur.
- (c) The Board, or committee, shall decide whether the member should be suspended, expelled, or sanctioned in any way. The decision must be found by consensus of the board members in attendance and shall be final.
- (d) Any action challenging the expulsion, suspension, or termination of the membership, including a claim alleging defective notice, must be commenced within one year after the day of the arbitration.
- (e) Renewal of membership shall be subject to Board approval in the case of termination.

(f) If this corporation has provided for the payment of dues by members, any person expelled from the corporation shall receive a refund of dues already paid. The refund shall be prorated to return only the unaccrued balance remaining for the period of the dues payment.

## **Section 6.7 Non-Transferability of Memberships**

No membership or right arising from membership shall be transferred. All membership rights cease on the member's death or incapacity or suspension.

## **Section 6.8 Meetings**

### **A. General Meetings**

1. Quarterly Meeting – A general meeting of members shall be held at least quarterly at such time and place, and on such notice as the Board may determine.
2. Place of Meeting – Meetings of members shall be held at any place within or outside California designated by the Board or by the written consent of all members entitled to vote at the meeting, given before the meeting. In the absence of any such designation, members' meetings 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.
3. Meeting Conducted by Electronic Transmission – A meeting of members may be conducted, in whole or in part, by electronic transmission by and to the Corporation or by electronic video screen communication
4. a. if the corporation implements reasonable measure to provide members in person or by proxy a reasonable opportunity to participate in the meeting and to vote on matters submitted to the members, including an opportunity to read or hear the proceedings of the meeting, and  
b. if any member votes or takes other action at the meeting by means of electronic transmission to the corporation or electronic video screen communication, a record of the vote or action is maintained by the Corporation. Any request by the corporation to a member pursuant to corporations Code section 20(b) for consent to conduct a meeting of members by electronic transmission by and to the Corporation shall include a notice that absent consent of the member pursuant to the Corporations Code section 20 (b), the meeting shall be held at a physical location in accordance with Section 6.8.A.2 of these bylaws ("Place of Meetings").

### **B. Special Meetings**

1. Authority to Call Special Meetings – Any officer of the Board or any group that consists of 5 members, or 10% of membership, whichever is greater, may call a special meeting of members for any lawful purpose at any time.
2. Calling Special Meetings – A special meeting called by any person entitled to call a meeting of the members shall be called by written request, specifying the general nature of the business proposed to be transacted and submitted to the Board. The Board shall cause notice to be given promptly to the members entitled to vote, under section 6.9 of these bylaws ("Notice"), stating that a meeting will be held at a specified time and date fixed by the Board provided, however, that the meeting date shall be at least 35 but no more than 90 days after the receipt of the request. If the notice is not given within 20 days after the request is received the persons requesting the meeting shall give 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 a meeting is called by the Board.
3. Proper Business of Special Meeting – No Business, other than the business that was set forth in the notice of the meeting, may be transacted at a special meeting.

## **Section 6.9 Notice**

All notice communications shall follow California Nonprofit Corporation Code Section 5511. In brief, the following considerations shall be observed:

1. Written notice shall be given not less than 10 nor more than 90 days before the date of the meeting.
2. On receipt of written meeting request, the person/s entitled to call meetings, shall cause notice to be sent to all members entitled to vote and shall fix a time and place for the meeting to take place. The meeting shall be scheduled not less than 35 days nor more than 90 days after receipt of meeting request.
3. The notice will state the date, time, location, means of electronic transmission by and to the Corporation, and the general nature of the business to be acted on by members. In the case of general meetings, business outside the general business outlined in the notice is accepted for admission and discussion; however, only business, of which the members have been given proper notice, shall be eligible to be voted on in any meeting.
4. Notice shall be given personally by electronic transmission. In addition, notices will be posted at the Principal and Other Offices of the Corporation. All notifications are delivered via the last record of address or number on the Corporation's record.  
Electronic mail is only valid under section 20 of California Corporations Code. It is no longer valid if:
  - i. Failure of delivery two consecutive notices by that means
  - ii. Knowledge of failure to deliver by officer or individual responsible for giving notice.
5. If the meeting is adjourned, there is not a legal requirement to give notice of the adjourned meeting, unless specified in the bylaws.
6. Any meeting of members is valid, so long as record of the meeting is published within 7 days of the meeting.

## **6.10 Voting**

### **A. Eligibility to Vote**

Subject to the California Nonprofit Public Benefit Corporation Law, all members in good standing on the record date as determined under Section 6.12 of these bylaws ("Record Date") shall be entitled to vote at any meeting of members.

Each member entitled to vote may cast one vote on each matter submitted to a vote of the members.

### **B. Member quorum and voting**

One-third of the voting power, represented in person or by proxy, shall constitute a quorum at a meeting of members. If a quorum is present, the affirmative vote of 75% of the voting power represented at the meeting, entitled to vote, and voting on any matter shall be the act of the members, unless otherwise required by the California Nonprofit Public Benefit Corporation Law or by the articles of incorporation.

## **6.11 Actions Without Meetings/Actions by Unanimous Written Consent**

Any action required or permitted to be taken by the members may be taken without a meeting, if 75% of members consent in writing to the action. The written consent or consents shall be filed with the minutes of the meeting. The action by written consent shall have the same force and effect as a unanimous vote of the members.

## **6.12 Record Date**

Members entitled to vote on any measure are those on record at the Corporation on the date at which notice is given for an action on which members are entitled to vote.

# **ARTICLE 7: Board members**

## **Section 7.1 Number and Qualifications**

### **7.1.1 Number**

The authorized number of board members of the Corporation (“board members”) shall be at least 5 but no more than 11 board members; the exact authorized number shall be fixed, within these limits, by resolution of the members.

### **7.1.2 Qualifications**

Any person serving as a member of the Board shall be approved by the members of the organization. Board members are accountable for enforcing laws and ensuring solvency of the corporation. At the first annual meeting, the board members shall be divided into two approximately equal groups and designated by the Board to serve one or two year terms. Thereafter, the term of office of each board member shall be two years. Each board member, including a board member elected to fill a vacancy, shall hold office until the expiration of the term for which he or she was elected and until the election and qualification of a successor, or until that board member’s earlier resignation or removal in accordance with these Bylaws and California Nonprofit Corporation Law.

## **Section 7.2 Corporate Powers Exercised by Board**

### **(a) General Powers**

Subject to the Articles of Incorporation of the Corporation, ( the “Articles of Incorporation”), California Nonprofit Corporation Law and any other applicable laws, the business affairs of the Corporation shall be managed, and all corporate powers shall be exercised by or under the direction of the Board. The Board may delegate the management of the activities of the Corporation to any person/s, 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.

### **(b) Specific Powers**

Without prejudice to the general powers set forth in Section 7.2.a. of these bylaws (“General Powers”), 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 corporate officers, agents, and employees; prescribe powers and duties for them 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 or the principal business 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 or outside 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, pledges, hypothecations, and other evidences of debt and securities.

## **Section 7.3 Restriction on Interested Persons as Board Members**

No more than 49 percent of the persons serving on the Board may be “interested persons.” An interested person is defined as

- (a) 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 board member as a board member; and

- (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 such person.

However, any violation of this paragraph shall not affect the validity or enforceability of transactions entered into by the corporation.

## **Section 7.4 Nominations and Elections of Board Members**

- (a) Any qualified person may be put on the ballot and so nominated for the Board. All nominations shall be submitted in writing to the board at least 21 days and no more than 60 day prior to annual election of the Board and the secretary shall forward to each member, with the notice of the meeting required by these bylaws, a list of all candidates so nominated.
- (b) 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.
- (c) The annual election of the Board shall be conducted through written ballot, through Approval Voting, where members can select all candidates of whom they approve for the Board. The highest scoring candidates shall be awarded the vacant positions. In the case of a tie between candidates, where the total number of highest scoring candidates exceeds the fixed number of Board positions, the standing Board shall break the tie.

## **Section 7.5 Vacancies on the Board**

- (a) Events Causing Vacancies on Board  
A vacancy or vacancies on the Board shall occur in the event of
  1. The death, removal, or resignation of any board member
  2. The declaration (by resolution of the board) of a vacancy in the office of a board member who has been convicted of a felony, declared of unsound mind by a court order, or found by final order or judgment of any court to have breached a duty under California Nonprofit Public Benefit Corporation Law, Chapter 2, Article 3;
  3. the majority vote of a quorum of members, or the vote of a majority of all members if the corporation has fewer than 50 members, to remove the board member(s);
  4. the increase of the authorized number of board members; or
  5. the failure of the members, at any meeting of members at which any board member or board members are to be elected, to elect the number of board members required to be elected at such meeting.
- (b) Resignation of board members  
Except as provided below, any board member may resign by giving written notice to the chairman of the board, if any, or to the president or the secretary 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 board member'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 board member may resign if the corporation would be left without a duly elected board member or board members.
- (c) Removal of board members
  1. Any or all board members may be removed without cause if:
    - (a) In a corporation with fewer than 50 members, the removal is approved by a majority of all members (Section 5033).
    - (b) In a corporation with 50 or more members, the removal is approved by the members

(Section 5034).

2. Any board member may be removed, with or without cause, by the vote of the majority of the members of the entire board of board members at a special meeting called for that purpose, or at a regular meeting, provided that notice of that meeting and of the removal questions are given as provided in Section 7.6 ("Meetings of the Board").
- (d) Filling Vacancies on the Board
  1. The members may elect a board member or board members at any time to fill any vacancy or vacancies not filled by board members.
  2. Until such time as nominations and elections to fill the vacancies or vacancy occur, the remaining board may appoint a member or members to temporarily fill the vacancy or vacancies through a consensus by the board, including situations in which a board member has recused him/herself due to conflict of interest concerns.
- (e) No Vacancy or Reduction of the Number of board members

Any reduction of the authorized number of the board members shall not result in any board member being removed before his or her term of office expires.

## Section 7.6 Meetings of the Board

- (a) Place of Board Meetings

Meetings of the board shall be held at any place within or outside 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.
- (b) Meetings by Telephone or other Telecommunications Equipment

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.
- (c) Annual and other Meetings

Immediately after each annual meeting of members, the board shall hold a general meeting for purposes of organization, election of officers, and transaction of other business. Notice of this meeting is not required.

Other general meetings of the board may be held without notice at such time and place as the board may fix from time to time.
- (d) Special Meetings
  1. Authority to call Special Meetings

Special meetings of the board for any purpose may be called at any time by the chairman of the board, if any, the president or any vice president, the secretary, or any two board members.
  2. Notice of Special Meeting

Notice of Special Meeting shall follow the procedure lined out in Section 6.8.B.2 (Calling Special Meetings)
- (e) Quorum

A majority of the authorized number of board members shall constitute a quorum for the transaction of any business except adjournment. Every action taken or decision made by a majority of the board members 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 board member has a direct or indirect



- material financial interest,
- 2. approval of certain transactions between corporations having common board memberships,
- 3. creation of and appointments to committees of the board, and
- 4. indemnification of board members and officers. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of some board members from that meeting, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

See California Nonprofit Public Benefit Corporation Law regarding conflict of interest. All members will act on behalf of the nonprofit organization in terms of: approval of contracts, approval of certain transactions

(f) **Waiver of Notice**

Notice of a meeting need not be given to any board member 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 such 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 board member who attends the meeting and who, before or at the beginning of the meeting, does not protest the lack of notice.

(g) **Adjournment**

A majority of the board members present, whether or not a quorum is present may adjourn any meeting to another time or space.

(h) **Notice of Adjournment of 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 board members who were not present at the time of the adjournment.

## **Section 7.7 Action without a 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 board member who has a material financial interest in a transaction to which the corporation is a party and who is an "interested board member" as defined in Corporations Code section 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.

## **Section 7.8 Compensation and Reimbursement**

Board members may receive such compensation, if any, for their services as board members or officers, and such reimbursement of expenses, as the members may establish by resolution to be just and reasonable as to the corporation at the time that the resolution is adopted, so long as such remuneration does not cause more than 49% of the board to become interested parties as outlined in section 7.3 of these bylaws ("Restriction on Interested Persons as Board Members").

## **Section 7.9 Committees**

(a) **Creation and powers of Committees**

The board, by resolution adopted by a majority of the board members then in office, may create one or more committees, each consisting of at least two persons, composed of board members, or members and board members. Appointments to committees of the board shall be

by majority vote of the board members then in office. The board may appoint one or more board members as alternate members of any such committee, who may replace any absent member at any meeting. Any such committee shall have all 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 board members 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 able to be repealed;
  6. Create any other committees of the board or appoint the members of committees of the board;
  7. Expend corporate funds to support a nominee for board member if more people have been nominated for board member than can be elected;
- (b) Meetings and Action of Committees
- 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 such committees and the calling of special meetings of such 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 8: Officers of the Corporation***

### **Section 8.1 Offices Held**

The officers of this corporation shall be a president, a secretary, and a treasurer. The corporation, at the board's discretion, may also have other officers as may be appointed under Section 8.3 of these bylaws ("Appointment of Other Officers").

Any number of offices may be held by the same person, except that neither the secretary nor the treasurer may serve concurrently as either the president or the chairman of the board.

### **Section 8.2 Election of Officers**

The officers of this corporation, except any appointed under Section 8.3 of these bylaws ("Appointment of Other Officers"), shall be chosen annually by the board and shall serve at the pleasure of the board, subject to the rights of any officer under any employment contract.

### **Section 8.3 Appointment of Other Officers**

The board may appoint and authorize the chairman of the board, the president, or another officer to appoint any other officers that the corporation may require. Each appointed officer shall have the title and authority, hold office for the period, and perform the duties specified in the bylaws or established by the board.

### **Section 8.4 Removal of Officers**

Without prejudice to the rights of any officer under an employment contract, the board or a majority vote by the members, may remove any officer with or without cause. An officer who was not chosen by the board may be removed by any other officer on whom the board confers the power of removal.

## **Section 8.5 Resignation of Officers**

Any officer may resign at any time by giving written notice to the board. The resignation shall take effect on the date the notice is received or at any later time specified in the notice. Unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation shall be without prejudice to any rights of the corporation under any contract to which the officer is a party.

## **Section 8.6 Vacancies in the Office**

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 normal appointments to that office, provided, however, that vacancies need not be filled on an annual basis.

## **Section 8.7 Responsibilities of Officers**

### **(a) Chairperson of the Board**

The chairperson of the Board (the "Chairperson"), if any, shall be a board member and shall preside at meetings of the Board and exercise and perform such other powers and duties as may from time to time be assigned to him by the Board or prescribed by these Bylaws. If the Board designates both a Chairperson and a President, the Board shall, by resolution, establish the specific duties carried by each position.

### **(b) President**

The president of the Corporation (the "President") shall, if there is no Chairperson, or in the Chairperson's absence, preside at meetings of the Board and exercise and perform such other powers and duties as may from time to time be assigned to him by the Board or prescribed by these Bylaws. If no other person is designated as the chief executive, the President shall, in addition, be the chief executive.

### **(c) Secretary**

The secretary of the Corporation (the "Secretary") shall attend to the following:

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.
2. Minutes Book – The Secretary shall keep or cause to be kept a minutes book.
3. Notices – The Secretary shall give, or cause to be given, notice of all meetings of the Board in accordance with these Bylaws.
4. Corporate Records – Upon request, the Secretary shall exhibit or cause to be exhibited at all reasonable times to any board member, or to his or her agent or attorney, or member these Bylaws and the minute book.
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.

### **(d) Treasurer**

The treasurer of the Corporation (the "Treasurer") shall attend to the following:

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 board member at all reasonable times.
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.
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 board members, 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.

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.

## ***Article 9: Contracts with board members***

No board member of this corporation nor any other corporation, firm, association, or other entity in which one or more of this corporation's board members are board members or have a material financial interest, shall be interested, directly or indirectly, in any contract or transaction with this corporation, unless

- (a) the material facts regarding that board member's financial interest in such contract or transaction or regarding such common board membership, officership, or financial interest are fully disclosed in good faith and noted in the minutes, or are known to all members of the board prior to the board's consideration of such contract or transaction;
- (b) such contract or transaction 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 board members;
- (c) 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
- (d) 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.

This Section does not apply to a transaction that is part of an educational or charitable program of this corporation if it

- (a) is approved or authorized by the corporation in good faith and without unjustified favoritism and
- (b) results in a benefit to one or more board members or their families because they are in the class of persons intended to be benefited by the educational or charitable program of this corporation.

## ***Article 10: Loans to Board members or Officers***

This corporation shall not lend any money or property to or guarantee the obligation of any board member or officer without the approval of the California Attorney General, provided, however, that the corporation may advance money to a board member or officer of the corporation for expenses reasonably anticipated to be incurred in the performance of his or her duties if that board member or officer would be entitled to reimbursement for such expenses by the corporation.

## ***Article 11 Indemnification***

This corporation shall indemnify its board members, including persons formerly occupying any such positions, against 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 section 5238(b) or section 5238(c) the board shall promptly decide under Corporations Code section 5238(e) whether the applicable standard of conduct set forth in Corporations Code section 5238(b) or section 5238(c) has been met and, if so, the board shall authorize indemnification. If the board cannot authorize indemnification, because the number of board members who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of board members 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 section 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.

## ***Article 12 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, board members, employees, and other agents, to cover any liability asserted against or incurred by any officer, board member, employee, or

agent in such capacity or arising from the officer's, board member's, employee's, or agent's status as such.

## ***Article 13 Maintenance of Corporate Records***

The corporation shall keep the following:

- (a) Adequate and correct books and records of account;
- (b) Minutes of the proceedings of its members, board, and committees; and
- (c) A record of each member's name, address, and class of membership

The minutes and other books and records shall be kept in written form or in any other form capable of being converted into a clearly legible and tangible form or any combination of the two. A virtual copy of the minutes and finances shall be available as an open source document and regularly updated. An updated virtual copy of the Articles and Bylaws shall also be maintained as an open source document.

## ***Article 14 Inspection Rights***

### **Members' right to inspection**

- (a) Membership Records  
Membership records are name and email address and may be inspected upon legal subpoena.
- (b) Accounting Records and Minutes  
In addition to complete access to a virtual open source version of the 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, board meetings, and committee meetings 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. This right of inspection extends to the records of any subsidiary of the corporation.
- (c) Maintenance and 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, which shall be open to inspection by the members at all reasonable times during office hours. If the corporation has no business office in California, the secretary shall, on the written request of any member, furnish to that member a copy of the articles of incorporation and bylaws, as amended to the current date. For the convenience of the members, an updated virtual copy of the Articles and Bylaws shall be maintained as an open source document.

### **Section 14.2 Board Member's Right to Inspect**

Every board member shall have the absolute right at any reasonable time to inspect the corporation's books, records, documents of every kind, physical properties, and the records of each subsidiary. The inspection may be made in person or by the board member's agent or attorney. The right of inspection includes the right to copy and make extracts of documents.

## ***Article 15: Required Reports***

### **Section 15.1 Annual Report**

The board shall cause an annual report to be sent to the members and board members within 120 days after the end of the corporation's fiscal year. That report shall contain the following information, in appropriate detail:

- (a) The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal



year;

- (b) The principal changes in assets and liabilities, including trust funds;
- (c) The corporation's revenue or receipts, both unrestricted and restricted to particular purposes;
- (d) The corporation's expenses or disbursements for both general and restricted purposes;
- (e) Any information required by Section 14.1.C. of these bylaws; and
- (f) 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 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 board members 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 15.2 Annual Statement of Certain Transactions and Indemnifications**

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 mail, deliver, or send by electronic transmission to each member and furnish to each board member a statement of any transaction or indemnification of the following kind:

- (a) Any transaction
  - i. in which the corporation, or its parent or subsidiary, was a party,
  - ii. in which an "interested person" had a direct or indirect material financial interest, and
  - iii. which involved more than \$50,000 or was one of several transactions with the same interested person involving, in the aggregate, more than \$50,000.For this purpose, an "interested person" is either
  - 1. any board member or officer of the corporation, its parent or subsidiary (but mere common board membership shall not be considered such an interest); or
  - 2. 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.
- (b) Any indemnifications or advances aggregating more than \$10,000 paid during the fiscal year to any officer or board member of the corporation under Article 11 of these bylaws, unless that indemnification has already been approved by the members under Corporations Code section 5238(e)(2).

## **Article 16 Amendments**

### **Section 16.1 Amendments by board members**

Board members may recommend amendments to the Articles of Incorporation or Bylaws and have the right to vote as members on ballots that address amendments and resolutions.

### **Section 16.2 Amendments by Members**

- (a) As seen fit for the furtherance of the purpose of the corporation outlined in Article 2, members may recommend amendments to the bylaws to be ratified at the corporation's Annual meeting or at a Special meeting called for such purpose.

- (b) Any amendment must not result in a conflict with California Nonprofit Corporations Code.
- (c) All recommendations will be submitted to the secretary in writing at least 21 days prior to the Annual meeting or a Special meeting will be called as outlined in Section 6.8.B.2 ("Calling Special Meetings").
- (d) No amendment may extend the term of a board member beyond that for which such board member was elected.
- (e) If 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 therefore, is given in accordance with these Bylaws, unless such notice is waived in accordance with these Bylaws.