

BYLAWS OF HOW2LOVEOURCOPS

ARTICLE I NAME AND PURPOSE

SECTION 1. Name. The name of the organization shall be How2LoveOurCops, herein referred to as "the Corporation." It shall be a nonprofit public benefit corporation incorporated under the laws of the State of California and is organized and operated exclusively for the purposes outlined in Section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

SECTION 2. Purpose. The Corporation is organized and will be operated exclusively for religious, charitable, educational, and scientific purposes as defined within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986 and Section 23704.5 of the California Revenue and Taxation Code, or the corresponding provisions of any future United States Internal Revenue Law, or California law. In line with this purpose, the Corporation will make distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any future United States Internal Revenue Law, as well as to individuals or entities as deemed fit by the Board of Directors to further the Corporation's exempt purposes. Specifically, the Corporation will provide direct services for current and retired commissioned law enforcement officers and their families.

This Corporation is organized and operated exclusively for the purposes set forth in Article 4 hereof within the meaning of Internal Revenue Code section 501(c)(3).

The Corporation may engage in activities to influence legislation within the limitations set forth in Section 23704.5 of the California Revenue and Taxation Code and Section 501(c)(3) of the Internal Revenue Code. Any expenditures for influencing legislation shall be properly reported and documented in accordance with applicable law. The Corporation shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.

The property of this corporation is irrevocably dedicated to the purposes in Article 4 hereof and no part of the net income or assets of this corporation shall ever inure to the benefit of any director, officer or member thereof or to the benefit of any private person.

Upon the dissolution or winding up of this corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed to a nonprofit fund, foundation or corporation which is organized and operated exclusively for charitable, educational and/or religious purposes and which has established its tax-exempt status under Internal Revenue Code section 501(c)(3).

Mission Statement: We are committed to exercising our First Amendment rights to educate, encourage, and equip law enforcement families to thrive relationally, emotionally, and spiritually.

Vision Statement: To touch every law enforcement family in the United States, providing them with proactive and responsive tools that will build healthy relationships, emotional wellness, and spiritual health.

Strategy Statement: "Our strategy is to develop comprehensive programs and resources that address the unique challenges faced by law enforcement families, fostering a supportive community that promotes their relational, emotional, and spiritual well-being."

ARTICLE II **OFFICES**

The principal office of the Corporation in the State of California shall be located in the County of Placer, specifically located at **220 Broughton Court, Granite Bay, CA 95746**. The Corporation may have such other offices, either within or without the State of California, as the Board of Directors may designate or as the business of the Corporation may require from time to time.

ARTICLE III **MEMBERSHIP**

Membership shall consist of the Board of Directors.

ARTICLE IV
BOARD OF DIRECTORS

SECTION 1. **General Powers.** The business and affairs of the Corporation shall be managed by its Board of Directors, subject to any limitations under the California Nonprofit Public Benefit Corporation Law and other applicable federal and state laws.

SECTION 2. **Size and Terms.** The number of directors of the Corporation shall be fixed by the Board of Directors, but shall not be fewer than three, in accordance with the California Nonprofit Public Benefit Corporation Law. The Board shall be comprised of no less than five members and no greater than fifteen. Each director shall hold office for a term of two years, subject to removal as prescribed in Article V, and in compliance with the California Nonprofit Public Benefit Corporation Law and other applicable federal and state laws. Each director is eligible for re-election for a maximum of three consecutive terms, not to exceed a total of six years, at the regular meetings.

SECTION 3. **Regular Meetings.** A regular meeting of the Board of Directors shall be held monthly, or every six weeks, as needed. The Board of Directors may provide the time and place for the holding of additional regular meetings with notice as described in Section 5.

SECTION 3.1. **Electronic Meetings.** Meetings of the Board of Directors may be held through electronic means, such as video conferencing or teleconferencing, provided that all participating directors can communicate with one another simultaneously. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting. Notice of electronic meetings shall be provided in the same manner as described in SECTION 5. Notice. The Board shall ensure that any decisions made during electronic meetings are documented in accordance with the California Nonprofit Public Benefit Corporation Law and other applicable federal and state laws.

SECTION 4. **Special Meetings.** Special meetings of the Board of Directors may be called by or at the request of the President or any two directors. The person or persons authorized to call special meetings of the Board of Directors may fix the place for holding any special meetings of the Board of Directors called by them.

SECTION 5. **Notice.** Notice of any meeting shall be given at least two weeks previous thereto by written notice delivered personally, mailed to each director at

their business address, or by electronic mail. Any directors may waive notice of any meeting. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

SECTION 6. **Quorum.** A majority of the number of directors fixed by Section 2 of this Article IV shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, in accordance with the California Nonprofit Public Benefit Corporation Law. A quorum shall not be established if more than 50 percent of such quorum is related by blood or marriage or otherwise have joint financial interests, such as business partnerships, etc. If less than a majority is present at a meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

SECTION 7. **Manner of Acting.** The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

SECTION 8. **Action Without a Meeting.** Any action that may be taken by the Board of Directors at a meeting may be taken without a meeting if consent in writing, setting forth the action so to be taken, shall be signed before such action by all of the directors, provided such action is in accordance with the California Nonprofit Public Benefit Corporation Law and other applicable federal and state laws.

SECTION 9. **Vacancies.** Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of a majority of the remaining directors though less than a quorum of the Board of Directors, unless otherwise provided by the California Nonprofit Public Benefit Corporation Law and other applicable federal and state laws. A director elected to fill a vacancy shall be elected for the remaining term of their predecessor in office, subject to the California Nonprofit Public Benefit Corporation Law and other applicable federal and state laws. Any directorship to be filled by reason of an increase in the number of directors may be filled by election by the Board of Directors for a term of office continuing only until the next election of directors by the Directors, in compliance with the California Nonprofit Public Benefit Corporation Law and other applicable federal and state laws.

SECTION 10. **Compensation.** No Director or Officer shall for reason of his/her office be entitled to receive any salary or compensation, but nothing herein

shall be construed to prevent an officer or director from receiving any compensation from the organization for duties other than as a director or officer, provided such compensation is in accordance with the California Nonprofit Public Benefit Corporation Law and other applicable federal and state laws.

SECTION 11. Presumption of Assent. A director of the Corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless their dissent shall be entered in the minutes of the meeting or unless they shall file their written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof, or shall forward such dissent by registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action, subject to the California Nonprofit Public Benefit Corporation Law and other applicable federal and state laws.

SECTION 12. Conflict of Interest. Directors shall adhere to the Conflict of Interest Policy as set forth in ARTICLE VII of these Bylaws, ensuring that any potential conflicts are disclosed and managed in accordance with the procedures detailed therein.

SECTION 13. Board Evaluation. The Board of Directors shall conduct an annual evaluation of its performance to ensure effective governance and accountability in accordance with California Nonprofit Public Benefit Corporation Law. This evaluation shall include, but not be limited to, the following elements:

1. **Review of Board Responsibilities and Performance:** Assessment of whether the Board is fulfilling its fiduciary duties, including the duty of care, duty of loyalty, and duty of obedience.
2. **Compliance with Legal and Ethical Standards:** Verification that the Board is operating in compliance with the California Nonprofit Public Benefit Corporation Law, federal law, and the Corporation's own bylaws and policies.
3. **Evaluation of Strategic Goals:** Examination of the Board's progress towards achieving the Corporation's strategic goals and objectives, ensuring alignment with its mission and vision.
4. **Board Composition and Structure:** Analysis of the Board's

composition to ensure it is diverse, represents the community served, and possesses the necessary skills and expertise.

5. **Effectiveness of Meetings:** Assessment of the efficiency and productivity of Board meetings, including the adequacy of materials provided and the facilitation of discussions and decision-making.
6. **Training and Development:** Review of opportunities for Board member training and development to enhance governance skills and effectiveness.
7. **Feedback and Improvement:** Solicitation of feedback from Board members and key stakeholders to identify areas for improvement and implement necessary changes.

The findings from the evaluation shall be documented and used to develop action plans for addressing any identified gaps or areas for improvement. The Board may engage outside experts to assist in conducting the evaluation, but the responsibility for ensuring compliance with this section remains with the Board.

SECTION 14. Frequency of Meetings. The Board of Directors shall meet at most monthly to conduct the business and affairs of the Corporation. Additional meetings may be scheduled as necessary to address urgent matters or strategic initiatives.

ARTICLE V

OFFICERS

SECTION 1. Number. In compliance with the California Corporations Code, the officers of the Corporation shall be a President, a Vice President, a Secretary, a Treasurer, and a Board Member at Large, all of whom shall be appointed by the Board of Directors. As per the California Corporation Code, all offices may not be held by the same person. In accordance with the same code, Board directors may also serve as officers of the Corporation.

SECTION 2. Election and Term of Office. The election and term of office for non-profit board members are structured to ensure consistent leadership and governance. According to the provided guidelines, the officers of the

Corporation are elected annually by the Board of Directors at their first meeting. If this election does not take place at the initial meeting, it must be conducted as soon as possible thereafter. Each elected officer remains in their position until a successor has been duly elected and qualified. The term continues until the officer's death, resignation, or removal as specified by the organization's procedures. This ensures that there is always an active and qualified officer in each role, maintaining stability and continuity in the organization's leadership.

SECTION 3. **Removal.** In accordance with the California Corporations Code, any officer, agent, or director may be removed by a majority vote of the remaining Board of Directors whenever, in its judgment, the best interests of the Corporation will be served thereby, including but not limited to cases where the individual has failed to comply with legal requirements regarding legislative influence activities under Section 23704.5 of the California Revenue and Taxation Code. Such removal shall be without prejudice to the contract rights, if any, of the person so removed. The election or appointment of an officer, agent, or director shall not of itself create contract rights, and such appointment shall be terminable at will.

SECTION 4. **Vacancies.** In accordance with the California Corporations Code, a vacancy in any office because of death, resignation, removal, disqualification, or otherwise, may be filled by the Board of Directors for the unexpired portion of the term by calling a special meeting within 30 days of the vacancy occurring for the purpose of filling the position.

SECTION 5. **President.** The President shall be the principal executive officer of the Corporation and subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the Corporation. He/She shall, when present, preside at all meetings of the Board of Directors, unless there is a Chairman of the Board in which case the Chairman shall preside. He/She may sign, with the Secretary or any other proper officer of the Corporation thereunto authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

SECTION 6. **Vice-President.** The Vice President shall act as the assistant to the

President and shall, in the absence of the President, be the presiding officer at Board of Directors and membership meetings. In the event of a vacancy in the office of president, the vice-president shall succeed to the office for the unexpired term. In the event of the temporary incapacity of the president to act, as determined by a two-thirds vote of the board of directors, the vice-president shall fill the office of president until the president is able to resume office. When the vice-president has succeeded to or is filling the office of president under this section, and is so acting, the vice-president shall have all the powers and be subject to all the restrictions upon the president. The vice-president may sign any documents as authorized and shall act as liaison and advisor to the program and local arrangements committees and other committees and service providers, as appropriate, including oversight of planning and arrangements for semi-annual meetings; and act as liaison concerning the Corporation's publications and with the public information officer and with other committees, as appropriate. The vice-president shall perform such other duties as may be assigned by the president or board of directors.

SECTION 7. Treasurer. The treasurer shall prepare and monitor the Corporation's annual budget. The treasurer shall oversee bookkeeping and accounting activities, including the specific tracking and documentation of any expenditures related to legislative influence activities as required by Section 23704.5 of the California Revenue and Taxation Code, the completion of tax forms and other financial documents, prepare written and oral reports for council and the Board of Directors' meetings, and facilitate long-term financial planning. In the event of the temporary incapacity of the treasurer to act, the treasurer may be temporarily removed by a two-thirds vote of council and temporarily replaced by a member designated by the Board of Directors. In the event of misconduct on the part of the treasurer, the treasurer may be temporarily removed from office by a two-thirds vote of council and permanently removed by the voting of the Board of Directors at a special meeting called for the purpose of such removal.

SECTION 8. Secretary. The Secretary shall (be responsible for the following): (a) Keep the minutes of the proceedings of the Board of Directors in one or more minute books provided for that purpose; (b) See that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) Be custodian of the corporate records and of the seal of the Corporation and see that the seal of the Corporation is affixed to all documents, the execution of which on behalf of the Corporation under its seal is duly authorized; (d) Keep a register of the contact information,

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including postal and email addresses, of each Director, which shall be furnished to the Secretary by such Director; and (e) In general perform all duties incident to the office of the Secretary and such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors.

SECTION 9. Board Member at Large. The Board Member at Large shall be responsible for overseeing the activities and programs of the Corporation, ensuring all such activities and programs comply with federal, California law, and the Business and Professions Code of California, and shall perform such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors.

SECTION 10. Frequency of Meetings. The Officers of the Corporation shall meet at most monthly to ensure alignment with the strategic goals set by the Board of Directors and to manage the day-to-day operations effectively. These meetings may be more frequent if necessary.

A non-profit board of directors' member is responsible for overseeing the organization's overall strategic direction and ensuring that it fulfills its mission, as stipulated under Section 5210 of the California Corporations Code. Duties include participating in regular board meetings, contributing to the development and implementation of policies, and providing governance and financial oversight, in accordance with Section 5231 of the California Corporations Code. Board members are expected to actively engage in fundraising efforts, assist in securing resources, and ensure the organization's financial health through careful review of financial statements and budgets, as required by Section 5231(a) of the California Corporations Code.

They also serve as ambassadors, representing the organization in the community and fostering relationships with key stakeholders, while respecting and upholding the organization's First Amendment rights. Additionally, board members must adhere to ethical standards, ensuring compliance with legal requirements, including those outlined in Section 5233 of the California Corporations Code, and acting in the best interest of the organization at all times. They are also tasked with evaluating and supporting the executive director or CEO, ensuring effective leadership and management of the organization, in accordance with Section 5213 of the California Corporations Code.

ARTICLE VI **INDEMNITY**


The Corporation shall indemnify its directors, officers and employees to the fullest extent permitted by the California Nonprofit Public Benefit Corporation Law, as well as

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any other applicable federal law and California law, and the Business and Professions Code in California, as follows:

(a)  Every director, officer, or employee of the Corporation shall be indemnified by the Corporation against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be made a party, or in which he may become involved, by reason of his being or having been a director, officer, employee or agent of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of the corporation, partnership, joint venture, trust or enterprise, or any settlement thereof, whether or not he is a director, officer, employee or agent at the time such expenses are incurred, except in such cases wherein the director, officer, or employee is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being for the best interests of the Corporation.

(b) The Corporation shall provide to any person who is or was a director, officer, employee, or agent of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of the corporation, partnership, joint venture, trust or enterprise, the indemnity against expenses of suit, litigation or other proceedings which is specifically permissible under applicable law.

(c) The Board of Directors may, in its discretion, direct the purchase of liability insurance by way of implementing the provisions of this Article VI.

(d) The indemnification provided hereunder shall continue as to a person who has ceased to be a director, officer, employee, or agent and shall inure to the benefit of the heirs, executors, and administrators of such a person.

ARTICLE VII

CONFLICTS OF INTEREST

SECTION 1. **Purpose.** The purpose of the conflict-of-interest policy is to protect this tax-exempt Organization's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization or might result in a possible excess benefit transaction, including any expenditures related to legislative influence activities as governed by Section 23704.5 and Section 24357.6 of the California Revenue and Taxation Code. This policy is intended to supplement and not replace any applicable state, federal, and international laws, including but not limited to the California Nonprofit



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Public Benefit Corporation Law, the Business and Professions Code in California, and any other governing laws on conflicts of interest applicable to nonprofit and charitable organizations. The organization shall ensure its operations are in compliance with these laws and any amendments thereto.

SECTION 2. Definitions.

2.1 Interested Person. Any director, principal officer, member of a committee with governing board delegated powers, or individual who holds a significant influence over the organization, who has a direct or indirect financial interest, as defined below, is an interested person.

2.2 Financial Interest. A person has a financial interest if the person has, directly or indirectly, through business, investment, or family: (a) An ownership or investment interest in any entity with which the Organization has a transaction or arrangement, (b) A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or (c) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. Under Section 3.2, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

SECTION 3. Procedures.

3.1 Duty to Disclose. In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and all relevant details, including the nature and extent of the interest and any potential benefits that might accrue to him/her as a result of the proposed transaction or arrangement. The interested person must also disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

3.2 Determining Whether a Conflict of Interest Exists. After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members

shall decide if a conflict of interest exists.

3.3 Procedures for Addressing the Conflict of Interest.

(a) An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

(b) The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

(c) After exercising due diligence, the governing board or committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

(d) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. The board or committee shall also consider the potential impact of the transaction or arrangement on the Organization's reputation and the potential for public perception of a conflict of interest. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

3.4 Violations of the Conflicts of Interest Policy.

(a) If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall promptly inform the member of the basis for such belief in writing and afford the member an opportunity to explain the alleged failure to disclose.

(b) If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take disciplinary and corrective action as determined by the Board of Directors or committee, including but not limited to warnings, suspensions, or removal from their position.

SECTION 4. Records of the Proceedings. The minutes of the governing board and all committees with board delegated powers shall contain: (a) The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a

conflict of interest is present, and the governing board's or committee's decision as to whether a conflict of interest in fact exists. The governing board and all committees with board delegated powers are responsible for ensuring this process of disclosure and determination is compliant with all applicable state, federal, and international laws. (b) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings. These records shall be kept for a period of at least seven years, or as required by applicable laws, whichever is longer.

SECTION 5. Compensation.

- 5.1 A voting member of the governing board who receives compensation, directly or indirectly, from the Organization is precluded from voting on matters pertaining to that member's compensation.
- 5.2 A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation in accordance with federal law and California law.
- 5.3 No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.
- 5.4 The majority of our Board of Directors will be non-salaried and will not be related to salaried personnel or to parties providing services. In addition, all compensation decisions and approvals for significant legislative influence expenditures will be made by the Board of Directors in accordance with California Revenue and Taxation Code 23704.5.
- 5.5 Further, all compensation paid will be reasonable and will be based on the following factors: (a) the type and amount of compensation received by others in similar positions, (b) the compensation levels paid in our particular geographic community, (c) the amount of time the individual spends in their position, (d) the expertise and other pertinent background of the individual, (e) the size and complexity of our organization, (f) the need of our organization for the services of the particular individual, and (g) any potential conflicts of interest that could arise from the

compensation of the individual, and (h) the avoidance of any appearance of impropriety or undue influence that could result from the compensation, and (i) any potential impact on the organization's legislative influence activities and related expenditure limits under California Revenue and Taxation Code 23704.5.

SECTION 6. Annual Statements. Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person: (a) has received a copy of the conflicts of interest policy, (b) has read and understands the policy, (c) has agreed to comply with the policy, (d) understands the Organization is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes, (e) acknowledges that failure to comply with the conflict of interest policy may result in disciplinary action up to and including removal from their position, (f) understands that they have a duty to disclose any potential conflicts of interest and to recuse themselves from any decision-making where such a conflict exists, and (g) understands and agrees to comply with the limitations on legislative influence activities as specified in Section 23704.5 of the California Revenue and Taxation Code, including the proper reporting of any related expenditures.

SECTION 7. Periodic Reviews. To ensure the Organization operates in a manner consistent with charitable purposes, does not engage in activities that could jeopardize its tax-exempt status, and complies with federal law, California law, and the Business and Professions Code of California, yearly reviews shall be conducted. The yearly reviews shall, at a minimum, include the following subjects: (a) Whether compensation arrangements and benefits are reasonable, and the result of arm's length bargaining; (b) Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction; (c) Whether any conflicts of interest have arisen in the past year, how they were managed, the effectiveness of the conflict of interest policy, and whether any revisions to the policy are needed; and (d) Review of any legislative influence activities to ensure compliance with Section 23704.5 of the California Revenue and Taxation Code; including proper tracking and reporting of related expenditures.

SECTION 8. Use of Outside Experts. When conducting the yearly reviews as provided for in Section 7, the Organization may, but need not, use outside advisors.

If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted, including the review of any conflicts of interest, and for making the final decisions on conflict-of-interest matters.

ARTICLE VIII

CONTRACTS, LOANS, CHECKS AND DEPOSITS

SECTION 1. **Contracts.** The Board of Directors may authorize any officer or officers, agent or agents, 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.

SECTION 2. **Loans.** No loans shall be contracted on behalf of the Corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors in compliance with the federal law, California law, and the Business and Professions Code of California. Such authority may be general or confined to specific instances.

SECTION 3. **Checks, Drafts, etc.** All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation, shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors.

SECTION 4. **Deposits.** All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.

SECTION 5. **Clear Delegation of Authority.** The Board of Directors hereby grants authority over financial decisions to the Treasurer of the Corporation, subject to oversight and approval by the Board of Directors for expenditures related to legislative influence activities regardless of amount as required by California Revenue and Taxation Code 23704.5, and any expenditures exceeding \$2,500 that are not approved beforehand in the budget. This limit may be adjusted from time to time by a majority vote of the Board of Directors. The Treasurer shall have the authority to manage the day-to-day financial affairs of the Corporation, including but not limited to the execution of checks, the management of the Corporation's bank accounts, and the approval of routine expenses within the limits established by the Board. The President of the Corporation shall have

secondary authority over financial decisions, acting in the Treasurer's absence or incapacity, with the same limitations and subject to the same oversight as the Treasurer.

SECTION 6. Financial Oversight and Reporting. The Board of Directors shall establish and maintain a system of financial oversight and reporting designed to ensure the financial health and integrity of the Corporation. This system shall include the preparation of annual budgets, quarterly financial reports to the Board, tracking of legislative influence expenditures as required by California Revenue and Taxation Code 23704.5, and the establishment of an audit committee responsible for reviewing the Corporation's financial statements and ensuring compliance with generally accepted accounting principles. The audit committee shall be composed of at least three directors of the Corporation who are not involved in the day-to-day financial management of the Corporation. The Treasurer shall present a comprehensive financial report at each regular meeting of the Board of Directors, which shall include an account of all transactions and the financial position of the Corporation. The Corporation shall engage an independent certified public accountant to conduct an annual audit of its finances, the results of which shall be presented to the Board of Directors and made available to the members of the Corporation.

SECTION 7. Conflict of Interest in Financial Dealings. The Corporation adopts the following measures to manage potential conflicts of interest in its financial dealings, including those related to legislative influence activities: All directors, officers, and key employees shall disclose to the Board of Directors any personal interest they may have in a transaction or arrangement that involves the Corporation. Such disclosure shall be made as soon as the individual becomes aware of the potential conflict. Upon such disclosure, the interested individual shall not participate in any discussion or decision-making regarding the transaction or arrangement. The Board of Directors, excluding the interested party, shall determine whether a conflict of interest exists and, if so, whether the transaction or arrangement is in the Corporation's best interest and for its own benefit. If the Board decides to proceed, it shall document its decision, including the considerations made and the basis for determining that the transaction or arrangement is fair to the Corporation. The Board may also adopt additional procedures as necessary to ensure that all financial dealings are conducted without undue influence or conflict of interest, in accordance with the Corporation's Conflict of Interest Policy as outlined in ARTICLE VII.

ARTICLE IX
FISCAL YEAR

The fiscal year of this Corporation shall commence on January 1 and terminate on December 31 of each year.

ARTICLE X
CORPORATE SEAL

The Board of Directors may, at its discretion, adopt a corporate seal. The design of the seal shall be circular, bearing the name of the Corporation, the State of incorporation, and the words, "Corporate Seal".

ARTICLE XI
WAIVER OF NOTICE

Except as otherwise required by law, any notice required to be given to any director of the Corporation under these Bylaws, the Articles of Incorporation, or the California Nonprofit Public Benefit Corporation Law, may be effectively waived by a written waiver signed by the person or persons entitled to such notice, whether before or after the time stated therein. Such waiver shall be deemed equivalent to the giving of such notice.

ARTICLE XII
AMENDMENTS

These Bylaws may be altered, amended, repealed, or new Bylaws may be adopted by the affirmative vote of at least two-thirds of the directors then in office at a meeting of the Board of Directors, provided that the proposed changes are consistent with the California Nonprofit Public Benefit Corporation Law, (including Section 23704.5 regarding legislative influence activities), applicable federal laws, and do not infringe on the Corporation's constitutional rights, including the First Amendment.

The above Bylaws, in accordance with federal law, California law, the Business and Professions Code of California, and respecting the Corporation's First Amendment rights, were approved and adopted by the Board of Directors of the Corporation on the

_____ day of _____, 20_____.

Secretary