

**BYLAWS OF THE THERESA HESSLING CHARTER SCHOOL PROJECT**

**ARTICLE 1 OFFICES**

**SECTION 1. PRINCIPAL OFFICE**

The principal office of the corporation is located in San Diego County, State of California.

**SECTION 2. CHANGE OF ADDRESS**

The designation of the county or state of the corporation's principal office may be changed by amendment of these Bylaws. The Board of Directors may change the principal office from one location to another within the named county by noting the changed address and effective date below, and such changes of address shall not be deemed, nor require, an amendment of these Bylaws:

\_\_\_\_\_ Dated: \_\_\_\_\_, 20\_\_\_\_  
\_\_\_\_\_ Dated: \_\_\_\_\_, 19\_\_\_\_  
\_\_\_\_\_ Dated: \_\_\_\_\_, 19\_\_\_\_

**SECTION 3. OTHER OFFICES**

The corporation may also have offices at such other places, within or without its state of incorporation, where it is qualified to do business, as its business and activities may require, and as the board of directors may, from time to time, designate.

**ARTICLE 2 NONPROFIT PURPOSES**

**SECTION 1. IRC SECTION 501(C)(3) PURPOSES**

This corporation is organized exclusively for one or more of the purposes as specified in Section 501(c)(3) of the Internal Revenue Code, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code.

**SECTION 2. SPECIFIC OBJECTIVES AND PURPOSES**

The specific objectives and purposes of this corporation shall be to create, organize, staff, operate, fund, govern and maintain the San Diego Cooperative Charter School (SDCCS).

**ARTICLE 3 DIRECTORS**

**SECTION 1. NUMBER**

The corporation shall have not more than fifteen (15) and not less than seven (7) directors, and collectively they shall be known as the Board of Directors. In addition, there shall be two voting representatives from

the staff on the Board of Directors. These representatives shall be selected by the staff and serve a one-year term.

**SECTION 2. QUALIFICATIONS OF DIRECTORS**

Directors shall be of the age of majority in this state. Other qualifications for directors of this corporation shall be as follows: a parent The importance of a diverse group reflecting the communities served will be given primary consideration at all times in the selection of Board members.

**SECTION 3. POWERS OF DIRECTORS**

Subject to the provisions of the laws of this state and any limitations in the Articles of Incorporation and these Bylaws relating to action required or permitted to be taken or approved by others, the activities and affairs of this corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board of Directors.

**SECTION 4. DUTIES**

It shall be the duty of the directors to:

- a) Perform any and all duties imposed on them collectively or individually by-law, by the Articles of Incorporation, or by these Bylaws;
- b) Appoint and remove, employ and discharge, and, except as otherwise provided in these Bylaws, prescribe the duties and fix the compensation, if any, of all officers and agents of the corporation and the Principal of the School;
- c) Supervise all officers and agents of the corporation, and the Principal of the School, to assure that their duties are performed properly;
- d) Establish and approve all major educational and operational policies; approve the SDCCS annual budget and oversee SDCCS fiscal affairs; contract with outside sources for operations oversight and audit; receive funds for the operation of SDCCS in accordance with charter school law; and solicit and receive grants and donations consistent with the mission of the SDCCS.
- e) Actively pursue fund-raising on an ongoing basis, with the objective of raising operating and capital funds.
- f) Meet at such times and places as required by these Bylaws;
- g) Register their addresses with the Secretary of the corporation, and notices of meetings mailed, e-mailed, or faxed to them at such addresses shall be valid notices thereof;

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- h) The Board shall conduct an annual meeting at the end of the Fiscal Year.
- i) Carry out such other duties as are described in the Charter;
- j) The ethnic and cultural diversity of the communities served by SDCCS shall be reflected and honored in all the activities of the Board and its committees.

### **SECTION 5. TERM OF OFFICE**

Each director shall hold office for a period of two (2) years and until his or her successor is elected and qualifies. The terms of office shall be staggered, such that each year, approximately half of the directors shall remain on the Board from the previous year.

### **SECTION 6. COMPENSATION**

Directors shall serve without compensation except that a reasonable fee may be paid to directors for attending regular and special meetings of the board. In addition, they shall be allowed reasonable advancement or reimbursement of expenses incurred in the performance of their duties.

### **SECTION 7. PLACE OF MEETINGS**

Meetings shall be held at the principal office of the corporation unless otherwise provided by the board or at such other place as may be designated from time to time by resolution of the Board of Directors.

### **SECTION 8. REGULAR MEETINGS**

Regular meetings of Directors shall be scheduled and held each month, on a day to be determined by the Board, unless such day falls on a legal holiday, in which event the regular meeting shall be held at the same hour and place on the next business day.

If any Board member shall fail to attend two consecutive meetings of the Board without excuse and, after having been notified by the Secretary of such failure to attend, shall fail to present at the next regular meeting after such notification an excuse for said absence acceptable to the Board, said absent Board member shall, in that case, be deemed to have resigned. However, the Board shall have the power to excuse the absence of any Trustee.

### **SECTION 9. SPECIAL MEETINGS**

Special meetings of the Board of Directors may be called by any two members of the Board, or, if different, by the persons specifically authorized under

the laws of this state to call special meetings of the Board. Such meetings shall be held at the principal office of the corporation or, if different, at the place designated by the person or persons calling the special meeting.

### **SECTION 10. NOTICE OF MEETINGS**

The school complies with all of the notification requirements of the California Brown Act related to Board meetings. In particular, at least 72 hours before a regular meeting, the school posts an agenda containing a brief general description of each item of business to be discussed at the Board meeting, including items to be discussed in closed session. The agenda specifies the time and location of the regular meeting and is posted in a location that is freely accessible to members of the public. It is the practice of the school to also send out an e-mail to a subscription list notifying them of the meeting, as well as posting the agenda on the school website, even though these actions are not mandated under law.

The Board notices and holds closed sessions within the specific parameters outlined by the Brown Act.

### **SECTION 11. QUORUM FOR MEETINGS**

A quorum shall consist of a majority of the members of the Board of Directors.

Except as otherwise provided under the Articles of Incorporation, these Bylaws, or provisions of law, no business shall be considered by the board at any meeting at which the required quorum is not present, and the only motion which the Chair shall entertain at such meeting is a motion to adjourn.

### **SECTION 12. MAJORITY ACTION AS BOARD ACTION**

Every act or decision done or made by consensus of the Board, or a majority of the directors present at a meeting duly held at which a quorum is present (if consensus is not feasible) is the act of the Board of Directors, unless the Articles of Incorporation, these Bylaws, or provisions of law require a greater percentage or different voting rules for approval of a matter by the board.

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### **SECTION 13. CONDUCT OF MEETINGS**

Meetings of the Board of Directors shall be presided over by the President of the Board, or, if no such person has been so designated or, in his or her absence, the Vice President of the Board, or, in his or her absence, by a Chairperson chosen by a majority of the directors present at the meeting. The Secretary of the corporation shall act as secretary of all meetings of the Board, provided that, in his or her absence, the presiding officer shall appoint another person to act as Secretary of the Meeting.

Decisions shall be reached, whenever feasible, by consensus of the members present. If consensus cannot be reached, Robert's Rules of Order shall govern the decision-making process.

Meetings shall be governed by Robert's Rules of Order, insofar as such rules are not inconsistent with or in conflict with the Articles of Incorporation, these Bylaws, or with provisions of law.

### **SECTION 14. VACANCIES**

Vacancies on the Board of Directors shall exist (1) on the death, resignation or removal of any director, and (2) whenever the number of authorized directors is increased.

Any director may resign effective upon giving written notice to the Chairperson of the Board, the Vice-Chair, the Secretary, or the Board of Directors, unless the notice specifies a later time for the effectiveness of such resignation. 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 Office of the Attorney General or other appropriate agency of this state.

Directors may be removed from office, with or without cause, as permitted by and in accordance with the laws of this state. Unless otherwise prohibited by the Articles of Incorporation, these Bylaws or provisions of law, vacancies on the board may be filled by approval of the board of directors. If the number of directors then in office is less than a quorum, a vacancy on the board may be filled by approval of a majority of the directors then in office or by a sole remaining director. A person elected to fill a vacancy on the board shall hold office until the next election of the Board of Directors or until his or her death, resignation or removal from office. Voting for the election of directors shall be by written ballot. Each director shall cast one vote per candidate, and may

vote for as many candidates as the number of candidates to be elected to the board. The candidates receiving the highest number of votes up to the number of directors to be elected shall be elected to serve on the board.

### **SECTION 15. NONLIABILITY OF DIRECTORS**

The directors and officers of the corporation shall not be personally liable for the debts, liabilities, or other obligations of the corporation.

### **SECTION 16. INDEMNIFICATION BY CORPORATION OF DIRECTORS AND OFFICERS**

The directors and officers of the corporation shall be indemnified by the corporation to the fullest extent permissible under the laws of this state.

### **SECTION 17. INSURANCE FOR CORPORATE AGENTS**

Except as may be otherwise provided under provisions of law, the Board of Directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the corporation (including a director, officer, employee or other agent of the corporation) against liabilities asserted against or incurred by the 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 such liability under the Articles of Incorporation, these Bylaws or provisions of law.

## **ARTICLE 4 OFFICERS**

### **SECTION 1. DESIGNATION**

The officers of the Corporation shall consist of the President of the Board, Vice President, Secretary and Treasurer. All such officers shall be elected annually by majority vote of the Board of Directors at the annual meeting.

### **SECTION 2. ELECTION AND TENURE**

The President, Vice President, Secretary and Treasurer shall be elected annually by the Board of Directors at an annual meeting of the Board. Other officers, if any, may be elected by the Board of Directors at any time.

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### **SECTION 2. REMOVAL AND RESIGNATION OF OFFICERS**

Any officer may be removed, either with or without cause, by the Board of Directors, at any time. Any officer may resign at any time by giving written notice to the Board of Directors or to the Principal or Secretary of the corporation. Any such resignation shall take effect at the date of receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The above provisions of this Section shall be superseded by any conflicting terms of a contract which has been approved or ratified by the Board of Directors relating to the employment of any officer of the corporation.

### **SECTION 3. VACANCIES**

Any vacancy caused by the death, resignation, removal, disqualification, or otherwise, of any officer shall be filled by the Board of Directors. In the event of a vacancy in any office other than that of President, such vacancy may be filled temporarily by appointment by the President until such time as the Board shall fill the vacancy. Vacancies occurring in offices of officers appointed at the discretion of the Board may or may not be filled, as the Board shall determine.

### **SECTION 4. DUTIES OF SECRETARY**

The Secretary shall:

- Certify and keep at the principal office of the corporation the original, or a copy, of these Bylaws as amended or otherwise altered to date.
- Keep at the principal office of the corporation or at such other place as the Board may determine, a book of minutes of all meetings of the directors, and, if applicable, meetings of committees of directors, recording therein the time and place of holding, whether regular or special, how called, how notice thereof was given, the names of those present or represented at the meeting, and the proceedings thereof.
- See that all notices are duly given in accordance with the provisions of these Bylaws or as required by law.
- Be custodian of the records and of the seal of the corporation and affix the seal, as authorized by law or the provisions of these Bylaws, to duly executed documents of the corporation.
- Exhibit at all reasonable times to any director of the corporation, or to his or her agent or attorney,

on request therefor, the Bylaws, the minutes of the proceedings of the directors of the corporation.

- In general, perform all duties incident to the office of Secretary and such other duties as may be required by law, by the Articles of Incorporation, or by these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

### **SECTION 5. DUTIES OF TREASURER**

The Treasurer shall:

- Have charge and custody of, and be responsible for, all funds and securities of the corporation, and deposit all such funds in the name of the corporation in such banks, trust companies, or other depositories as shall be selected by the Board of Directors.
- Receive, and give receipt for, monies due and payable to the corporation from any source whatsoever.
- Disburse, or cause to be disbursed, the funds of the corporation as may be directed by the Board of Directors, taking proper vouchers for such disbursements.
- Keep and maintain adequate and correct accounts of the corporation's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains and losses.
- Exhibit at all reasonable times the books of account and financial records to any director of the corporation, or to his or her agent or attorney, on request therefor.
- Render to the Principal and directors, whenever requested, an account of any or all of his or her transactions as Treasurer and of the financial condition of the corporation.
- Prepare, or cause to be prepared, and certify, or cause to be certified, the financial statements to be included in any required reports.
- Be responsible for all filings required by the California Franchise Tax Board, the State of California corporate laws, the Internal Revenue Service, and any other governmental agency concerned with the corporation's non-profit status.

In general, perform all duties incident to the office of Treasurer and such other duties as may be required by law, by the Articles of Incorporation of the corporation, or by these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

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## ARTICLE 5 PRINCIPAL OF THE SCHOOL

### SECTION 1. APPOINTMENT

The Principal of the School shall be hired by the Board of Directors on such terms and conditions as are mutually agreeable to the parties, and shall have general authority over the day-to-day management and operation of the School. The Board of Directors shall conduct an annual review of the Principal of the School.

The corporation may also have more than one Vice Principal, Assistant Secretaries, Assistant Treasurers, and other such officers with such titles as may be determined from time to time by the Board of Directors.

### SECTION 2. QUALIFICATIONS

The Principal, and any Vice Principal(s) of the School shall have California teaching credentials and shall meet the qualification requirements as set forth in the Charter documents.

### SECTION 3. DUTIES OF THE PRINCIPAL

The Principal shall be the chief executive officer of the School and shall, subject to the control of the Board of Directors, supervise and control the affairs of the School and the activities of the employees of the School. The Principal shall perform all duties incident to the office and such other duties as may be required by law, by the Articles of Incorporation, by these Bylaws, by the School's Charter, or which may be prescribed from time to time by the Board of Directors.

- a) The Principal shall carry out the policies of the School and the decisions of the Board of Directors as established from time to time by the Board.
- b) He or she shall be expected to anticipate the developing needs of the School and the community, both short- and long-term, and to interpret those needs and changes for the Board.
- c) He or she shall be responsible for keeping the Board well informed on all matters pertaining to the School at all times.
- d) The Principal shall be an ex-officio member of all committees related to the School.
- e) At each regular meeting of the Board of Directors, the Principal shall make a report of the School, and shall make an annual report of the School at the annual meeting of the Board of Directors.
- f) The Principal shall be responsible for coordinating the screening, interviewing and hiring of the full-

time teaching faculty, part-time teachers, and all other School staff, setting salaries within the minimum and maximum limits established by the Board of Directors, and shall conduct annual reviews of all personnel.

- g) The Principal shall be responsible for all required reporting to the San Diego Unified School District and the State of California Department of Education. Except as otherwise expressly provided by law, by the Articles of Incorporation, by these Bylaws, or by the School's Charter, the Principal shall, in the name of the corporation, execute such deeds, mortgages, bonds, contracts, checks, or other instruments which may from time to time be authorized by the Board of Directors.
- h) The Principal shall carry out the duties of the position consistent with the mission and vision of the School, and shall lead by example in implementing the various principles enunciated in the Bylaws and the Charter.

### SECTION 7. DUTIES OF VICE PRINCIPAL

In the absence of the Principal, or in the event of his or her inability or refusal to act, the Vice Principal shall perform all the duties of the Principal, and when so acting shall have all the powers of, and be subject to all the restrictions on, the Principal. The Vice Principal shall have other powers and perform such other duties as may be prescribed by law, by the Articles of Incorporation, by the School's Charter, or by these Bylaws, or as may be prescribed by the Board of Directors.

## ARTICLE 6 COMMITTEES

### SECTION 1. BOARD COMMITTEES

The Board of Directors may, by a resolution adopted by the majority of its members, provided that a majority is present, create one or more standing or ad hoc committees, each consisting of at least two (2) members of the Board, to serve at the pleasure of the Board. Appointments to such Board committees shall be made by the Chairman of the Board or the Principal. The Board may delegate to such committee the powers and authority of the board in the management of the business and affairs of the corporation, to the extent permitted, and except as may otherwise be provided, by provisions of law, except that no committee, regardless of Board resolution, may:

- a. Fill vacancies on the Board or any committee which has the authority of the Board;
- b. Fix compensation of Directors for serving on the Board or any committee;

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- c. Amend or repeal Bylaws or adopt new Bylaws;
- d. Amend or repeal any resolution of the Board which by its express terms is not so amendable or repealable;
- e. Appoint committees of the Board or the members thereof;
- f. Spend corporate funds to support a nominee or applicant for Director after there are more people nominated for Director than can be elected;
- g. Approve any self-dealing transaction, except as provided in Section 5233(d)(3) of the California Nonprofit Public Benefit Corporation Law; or
- h. Approve any action for which the California Nonprofit Public Benefit Corporation Law requires the approval of the Board.

### SECTION 2. MEETINGS AND ACTION OF COMMITTEES

Meetings and action of committees shall be governed by, noticed, held and taken in accordance with the provisions of these Bylaws concerning meetings of the Board of Directors, with such changes in the context of such Bylaw provisions as are necessary to substitute the committee and its members for the Board of Directors and its members, except that the time for regular and special meetings of committees may be fixed by resolution of the Board of Directors or by the committee. The Board of Directors may also adopt rules and regulations pertaining to the conduct of meetings of committees to the extent that such rules and regulations are not inconsistent with the provisions of these Bylaws.

### ARTICLE 7 EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS

#### SECTION 1. EXECUTION OF INSTRUMENTS

The Board of Directors, 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 2. CHECKS AND NOTES

Except as otherwise specifically determined by resolution of the Board of Directors, 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 the Treasurer and countersigned by the Principal of SDCCS.

### SECTION 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 of Directors may select.

### SECTION 4. GIFTS

The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest, or devise for the nonprofit purposes of this corporation.

## ARTICLE 8 CONFLICT OF INTEREST

### SECTION 1. DEFINITION

The purpose of financial disclosure is to alert public officials to personal interests that might be affected while they are performing their official duties, i.e., making governmental decisions. Disclosure also helps inform the public about potential conflicts of interest.

Public officials at every level of state and local government must disclose their personal financial interests. (Gov. Code Section 87200.) These include disclosure of:

- Investments in business entities (e.g., stock holdings, owning a business, a partnership)
- Interests in real estate (real property)
- Sources of personal income, including gifts, loans and travel payments
- Positions of management or employment with business entities

The Board of Directors will comply with the government code sections related to disclosure and in particular:

"Assets and income of public officials which may be materially affected by their official actions should be disclosed and in appropriate circumstances the officials should be disqualified from acting in order that conflicts of interest may be avoided."

*Gov. Code section 81002(c)*

"No public official at any level of state or local government shall make, participate in making or in any

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way attempt to use his official position to influence a governmental decision in which he knows or has reason to know he has a financial interest."  
*Gov. Code Section 87100*

### **SECTION 7. CORPORATE LOANS AND ADVANCES**

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; provided, however, that the corporation may advance money to a Director or officer of the corporation or any subsidiary for expenses reasonably anticipated to be incurred in the performance of the duties of such officer of Director, if, in the absence of such advance, such Director or officer would be entitled to be reimbursed for such expenses by the corporation, its parent or any subsidiary.

### **SECTION 8. ANNUAL STATEMENT OF CERTAIN TRANSACTIONS**

The annual statement required by Section 6322 of the California Nonprofit Public Benefit Corporation Law shall be furnished to the Directors for any fiscal year in which a transaction or indemnification of the kind described in a. or b. below took place:

- a. A transaction in which the corporation or a parent or subsidiary was a party and one or more Directors or officers of the corporation or a parent or subsidiary or a holder of more than ten percent (10%) of the voting power of the corporation or a parent or subsidiary had a direct or indirect material financial interest and which involved Fifty Thousand Dollars (\$50,000) or more, or which was one of a number of such transaction which involved the same interested person(s) and which amounted in the aggregate to Fifty Thousand Dollars (\$50,000) or more; or
- b. Any indemnification or advances aggregating more than Ten Thousand Dollars (\$10,000) paid during the fiscal year to any officer of Director of the corporation or a parent or subsidiary.

Such statement shall be mailed or delivered to the Directors within one hundred twenty (120) days after the close of the corporation's fiscal year.

## **ARTICLE 9 CORPORATE RECORDS, REPORTS AND SEAL**

### **SECTION 1. MAINTENANCE OF CORPORATE RECORDS**

The corporation shall keep at its principal office:  
(a) Minutes of all meetings of directors, committees of the board, indicating the time and place of holding such meetings, whether regular or special, how called, the notice given, and the names of those present and the proceedings thereof;  
(b) Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains and losses;  
(c) A copy of the corporation's Articles of Incorporation and Bylaws as amended to date, which shall be open to inspection by the members of the Board of Directors and Officers of the corporation at all reasonable times during office hours.

### **SECTION 2. CORPORATE SEAL**

The Board of Directors may adopt, use, and at will alter, a corporate seal. Such seal shall be kept at the principal office of the corporation. Failure to affix the seal to corporate instruments, however, shall not affect the validity of any such instrument.

### **SECTION 3. DIRECTORS' INSPECTION RIGHTS**

Every director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the corporation and shall have such other rights to inspect the books, records and properties of this corporation as may be required under the Articles of Incorporation, other provisions of these Bylaws, and provisions of law.

### **SECTION 5. RIGHT TO COPY AND MAKE EXTRACTS**

Any inspection under the provisions of this Article may be made in person or by agent or attorney and the right to inspection shall include the right to copy and make extracts.

### **SECTION 6. PERIODIC REPORT**

The board shall cause any annual or periodic report required under law to be prepared and delivered to an office of this state, to be so prepared and delivered within the time limits set by law.

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**ARTICLE 10 IRC 501(C)(3) TAX EXEMPTION PROVISIONS**

**SECTION 1. LIMITATIONS ON ACTIVITIES**

No substantial part of the activities of this corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation [except as otherwise provided by Section 501(h) of the Internal Revenue Code], and this corporation shall not participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of, or in opposition to, any candidate for public office.

Notwithstanding any other provisions of these Bylaws, this corporation shall not carry on any activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code.

**SECTION 2. PROHIBITION AGAINST PRIVATE INUREMENT**

No part of the net earnings of this corporation shall inure to the benefit of, or be distributable to, its 1, directors or trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of this corporation.

**SECTION 3. DISTRIBUTION OF ASSETS**

Upon the dissolution of this corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed for one or more exempt purposes within the meaning of Section 510(c)(3) of the Internal Revenue Code or shall be distributed to the federal government, or to a state or local government, for a public purpose. Such distribution shall be made in accordance with all applicable provisions of the laws of this state.

**SECTION 4. PRIVATE FOUNDATION REQUIREMENTS AND RESTRICTIONS**

In any taxable year in which this corporation is a private foundation as described in Section 509(a) of the Internal Revenue Code, the corporation 1) shall distribute its income for said period at such time and manner as not to subject it to tax under Section 4942 of the Internal Revenue Code; 2) shall not engage in any act of self-dealing as defined in Section 4941(d) of the

Internal Revenue Code; 3) shall not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code; 4) shall not make any investments in such manner as to subject the corporation to tax under Section 4944 of the Internal Revenue Code; and 5) shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code.

**ARTICLE 11 AMENDMENT OF BYLAWS**

**SECTION 1. AMENDMENT**

Subject to the power of the 1, if any, of this corporation to adopt, amend or repeal the Bylaws of this corporation and except as may otherwise be specified under provisions of law, these Bylaws, or any of them, may be altered, amended, or repealed and new Bylaws adopted by approval of the Board of Directors.

**ARTICLE 12 CONSTRUCTION AND TERMS**

If there is any conflict between the provisions of these Bylaws and the Articles of Incorporation of this corporation, the provisions of the Articles of Incorporation shall govern.

Should any of the provisions or portions of these Bylaws be held unenforceable or invalid for any reason, the remaining provisions and portions of these Bylaws shall be unaffected by such holding. All references in these Bylaws to the Articles of Incorporation shall be to the Articles of Incorporation, Articles of Organization, Certificate of Incorporation, Organizational Charter, Corporate Charter, or other founding document of this corporation filed with an office of this state and used to establish the legal existence of this corporation.

All references in these Bylaws to a section or sections of the Internal Revenue Code shall be to such sections of the Internal Revenue Code of 1986 as amended from time to time, or to corresponding provisions of any future federal tax code.

**ADOPTION OF BYLAWS**

We, the undersigned, are all of the initial directors or incorporators of this corporation, and we consent to, and hereby do, adopt the foregoing Bylaws, consisting of the preceding pages, as the Bylaws of this corporation.

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