

BYLAWS

Final Draft of 3/2/09

OF

EL CAJON VALLEY LIONS FOUNDATION, INC.

ARTICLE I: OFFICES

Section 1. **Principal Office**

The place in which the Corporation's principal office is to be located is El Cajon, San Diego County, California.

Section 2. **Change of Address**

The designation of the county of the Corporation's principal office may be changed by amendment of these Bylaws. The Board of Trustees 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 change of address shall not be deemed, nor required, an amendment of these Bylaws:

_____ Dated: _____, 20_____

_____ Dated: _____, 20_____

_____ Dated: _____, 20_____

Section 3. **Other Offices**

The Corporation may have and establish such additional offices or other place to conduct its business as may be established from time to time by direction of the Board of Trustees.

ARTICLE II: MEMBERSHIP

Section 1. **Membership**

The membership of the Corporation shall consist of those individuals who are members in good standing of the EL CAJON VALLEY LIONS CLUB. There shall be no dues payable by any member.

ARTICLE III: NONPROFIT PURPOSES

Section 1. IRC Section 501(C)(3) Purposes

Said corporation is organized exclusively for charitable purposes, 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, or the corresponding section of any future federal tax code. No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to its members, 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 set forth in Article Third hereof.

Section 2. Specific Objectives and Purposes

The specific objectives and purposes of this Corporation shall be to solicit, collect and otherwise raise money for charitable purposes: to expand, contribute, disburse, and otherwise handle and dispose of the same for such purposes relating to the aims and goals of the EL CAJON VALLEY LIONS CLUB and the International Association of Lions Clubs. It is acknowledged that this Corporation has been created for the benefit of distributing monies to 501(C) (3) organizations and other entities that are similarly qualified under the Internal Revenue Service, which organizations and entities are supported by the EL CAJON VALLEY LIONS CLUB. Therefore, the EL CAJON VALLEY LIONS CLUB will have authority to designate the charities or other entities who will receive distributions from the Foundation. This authority shall be exercised by majority vote of the EL CAJON VALLEY LIONS CLUB Board of Directors. The request for distributions will be made in writing or orally to the Foundation Board of Directors. In the event the Foundation Board of Directors has any concerns or objections over requested distributions, then these disputes or objections will be resolved by a meet and confer process between three representatives selected by the President of the Foundation and three representatives selected by the President of the EL CAJON VALLEY LIONS CLUB. In the event a majority vote cannot be achieved on resolving the dispute, then the dispute will be resolved by majority vote of the President of the Foundation, the President of the EL CAJON VALLEY LIONS CLUB and the immediate Past President of the Foundation. Further, in the event the request for distributions exceeds seven (5%) percent of the average value of the Foundation's assets, then approval of the Board of Trustees of the Foundation shall be required for the excess requested distributions. Since all Corporation distributions must be traced to qualified 501(C)(3) charities, the EL CAJON VALLEY LIONS CLUB will be requested to establish a separate, segregated checking and/or savings account to receive distributions from the Corporation to be further distributed to organizations and entities, as set forth above. All contributions from the Corporation to the EL CAJON VALLEY LIONS CLUB will be deposited into that account.

Section 3: Conflicts of Interest.

Except as provided in Article IV, Section 5, the Corporation shall not enter into any transaction or arrangement that might benefit the private interest of any officer or director of this Corporation, that violates any applicable state and federal laws governing conflict of interest application to non profit and charitable organizations. The Board of Trustees shall adopt policies and procedures as appropriate and necessary to ensure the Corporation operates in a manner consistent with its charitable purposes and does not engage in activities that could jeopardize its tax-exempt status.

ARTICLE IV: TRUSTEES

Section 1: Number

The Corporation shall have a Board of thirteen (13) Trustees, plus any Emeritus Trustees as may be appointed by the Board, and collectively they shall be known as the Board of Trustees (hereinafter the "Board"). A minimum of ten (10) of the thirteen (13) Trustees shall be members of the EL CAJON VALLEY LIONS CLUB. The number may be changed by amendment to these Bylaws.

Section 2: Section and Term

(a) Each immediate past president of the EL CAJON VALLEY LIONS CLUB shall automatically be a Trustee for the ensuing one (1) year.

(b) The president of the EL CAJON VALLEY LIONS CLUB shall appoint three (3) Trustees from the Board of Trustees and/or officers of said club, who, along with the president, shall serve a term of one (1) year.

(c) The remaining Trustees shall be elected in June of each year by the membership of the EL CAJON VALLEY LIONS CLUB; the proposed nominees for Trustee shall be submitted to the membership of the EL CAJON VALLEY LIONS CLUB by the Board of Trustees; none of these remaining Trustees is to be an officer, director or one of the three (3) immediate past presidents of said club. The terms and elections of these remaining Trustees shall be staggered annually so that two (2) or three (3) such Trustees are elected each year. These Trustees shall each be elected for a term of three (3) years. A term "year" shall be from July 1 through June 30 of the next calendar year.

(d) Except for any Emeritus Trustees, no person shall be elected for more than two (2) consecutive terms nor shall any Trustee serve, by election and/or appointment, for more than eight (8) consecutive years. Nothing herein shall restrict a former Trustee from being appointed or elected after having been off the Board for a one (1) year period.

(e) The Board, by unanimous vote of the Trustees present at any regular meeting where a quorum is present, may appoint one or more Emeritus Trustee, who shall serve for life and who shall have the full power and authority of a Trustee.

(f) Directors shall be of the age of majority as provided by California law. No other qualifications are required except as stated herein.

Section 3. **Power and Duties of Trustees**

It shall be the power and duty of Trustees to:

(a) Perform any and all duties imposed on them collectively or individually by law, 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, agents and employees of the Corporation.

(c) Supervise all officers, agents and employees of the Corporation to assure that their duties are performed properly.

(d) Meet at such times and places as required by these Bylaws.

(e) Register their addresses with the Secretary of the Corporation, and notices of meetings shall either be mailed, transmitted via FAX, e-mail, or telegraphed to them at such addresses shall be valid notices thereof.

(f) To buy, sell, hold, invest and reinvest any and all monies and properties received and acquired by the Corporation, and to exercise any and all rights of ownership to the benefit of the Corporation.

(g) To expend, in compliance with these Bylaws and applicable state and federal law, such portion of income and/or corpus as the Board in its discretion determines is appropriate to fulfill the purposes of the Corporation.

(h) To apportion any losses to principal or income as it deems best.

Section 4: **Compensation**

Trustees shall serve without compensation, except they shall be allowed reasonable reimbursement for expenses as the Board may allow.

Section 5: **Restriction Regarding Interested Trustees**

Notwithstanding any other provision of these Bylaws, none of the persons serving on the Board may be interested persons. For purposes of this Section, "interested persons" means either:

(a) Unless otherwise approved by 2/3 vote of the Trustees, any person compensated by the Corporation for services rendered it within the previous twelve (12) months, whether as a full or part-time officer or other employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a Trustee as Trustee; or

(b) Any brother, sister, ancestor, descent, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any such person.

Section 6: **Place of Meetings**

Meetings shall be held at the principal office of the Corporation unless otherwise provided by the Board or at such other places as may be determined by the Board of Trustees.

Section 7: **Regular Meetings**

Regular meetings of the Trustees shall be held quarterly. Unless otherwise provided by resolution of the Board of Trustees, the regular meetings of the Board of Trustees shall be on a weekday of the months of September, December, March, and June as set by the Board of Trustees.

Section 8: **Annual Meeting**

The annual meeting of the Corporation shall be held on a weekday in June of each year as set by the Board of Trustees.

Section 9: **Special Meetings**

Special meetings of the Board may be called by the Chairperson or by any four (4) Trustees, and such meetings shall be held at the principal office of the Corporation.

Section 10: **Notice of Meetings**

Regular meetings of the Board may be held without notice. Special meetings of the Board shall be held upon four (4) days' notice by first-class mail or forty-eight (48) hours notice delivered personally by telephone, telegraph, e-mail, or by FAX. If sent by mail, e-mail, telegram or FAX, the notice shall be deemed to be delivered upon its deposit in the mail or its transmission by telegraph, e-mail, or FAX. Such notices shall be addressed to each Director at his or her address as maintained by the secretary of the Corporation. Notice of the time and place of holding an adjourned meeting is held no more than twenty-four (24) hours from the original meeting. Notice shall be given of an adjourned regular or special meeting to Trustees absent from the original meeting if the adjourned meeting is held more than twenty-four (24) hours from the time of the original meeting.

Section 11: **Contents of Notice**

Notice of meetings not herein dispensed with shall specify the place, day and hour of the meeting. The purpose of any Board meeting need not be specified in the notice except as otherwise provided herein.

Section 12: Waiver of Notice and Consent to Holding Meeting

The transaction of any meeting of the Board, however called and noticed or wherever held, are as valid as though the meeting had been duly held after proper call and notice, provided a quorum, as hereinafter defined, is present and provided that either before or after the meeting each Director not present signs a waiver of notice, a consent to holding the meeting, or an approval of the minutes thereof. All such waivers, consents, or approvals, shall be filed with the Corporate records or made a part of the minutes of the meeting.

Section 13: Quorum for Meetings

- (a) A quorum shall consist of a majority of the Board.
- (b) The Trustees present at a duly called and held meeting at which a quorum is initially present may continue to do business, notwithstanding the loss of a quorum at a meeting due to a withdrawal of Trustees from the meeting provided that any action thereafter taken must be approved by at least a majority of the required quorum.
- (c) When a meeting is adjourned for lack of a quorum, it shall not be necessary to give any notice of the time and place of the adjourned meeting or of the business to be transacted at such meeting, other than by announcement at the meeting at which the adjournment is taken, except as provided in Section 10 of this Article.
- (d) In the absence of a quorum, any meeting of the Trustees may be adjourned from time to time by the vote of a majority of the Trustees present, but no other business shall be transacted at such a meeting.

Section 14: Majority Action as Board Action

Every act or decision done or made by a majority of the Trustees present at a meeting duly held at which a quorum is present is the act of the Board of Trustees, 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.

Section 15: Conduct of Meeting

Meetings of the Board of Trustees shall be presided over by the President of the Corporation or, in his or her absence, the by Vice Presidents, by rank, or, in the absence of each of these persons, by a Chairperson chosen by a majority of the Trustees present at the meeting. The Secretary of the

Corporation shall act as a secretary at 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.

Meetings shall be governed by Roberts 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 16: Vacancies

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

Any director may resign effective upon giving written notice to the President, the Secretary, or Board of Trustees, 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 Trustees in charge of its affairs.

Trustees may be removed from office, with or without cause, as permitted by and in accordance with the laws of California.

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 Trustees. If the number of Trustees then in office is less than a quorum, a vacancy on the Board may be filled by approval of a majority of the Trustees then in office or by a sole remaining Trustee. A person elected to fill a vacancy on the Board shall hold office until the next election of the Board of Trustees or until his or her death, resignation, or removal from office.

Section 17: Nonliability of Trustees

The Trustees shall not be personally liable for debts, liabilities, or other obligations of the Corporation.

Section 18: Indemnification by Corporation of Trustees and Officers

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

Section 19: Insurance for Corporate Agents

Except as may be otherwise provided under provisions of law, the Board of Trustees 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, the Bylaws or provisions of law.

ARTICLE V: OFFICERS

Section 1. Designation of Officers

The officers of the Corporation shall be a President, Vice President, a Secretary, a Treasurer, and such other officers with such other titles and duties as shall be determined by the Board as necessary to enable the Board to do business or to sign instruments..

Section 2. Qualifications

Any person who is a member in good standing in the EL CAJON VALLEY LIONS CLUB may serve as officer of this Corporation.

Section 3. Election and Term of Office

Officers shall be elected by the Corporation at the June meeting. The term of office shall be one (1) year.

Section 4. Removal and Resignation

Any officer may be removed, either with or without cause, by the Board of Trustees, at any time. Any officer may resign at any time by giving written notice to the Board of Trustees or the President 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 Trustees relating to the employment of any officer of the Corporation.

Section 5. Vacancies

Any vacancies caused by the death, resignation, removal, disqualification, or otherwise, of any officer shall be filled by the Board of Director. 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 6. Duties of President

The President shall be the chief executive officer of the Corporation and shall, subject to the control of the Board of Trustees, supervise and control the affairs of the Corporation and the activities of the officers. He or she shall perform all duties incident to his or her office and such other duties as may

be required by law, by the Articles of Incorporation, by these Bylaws, or which may be prescribed from time to time by the Board of Trustees. The President shall preside at all meetings of the Board of Trustees and at all meetings of the members. Except as otherwise expressly provided by law, by Articles of Incorporation, or by the Bylaws, he or she 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 Trustees.

Section 7. Duties of Vice President

In the absence of the President, or in the event of his or her inability or refusal to act, the Vice President, by rank, shall perform all the duties of the President, and when so acting shall have the powers, and be subjected to all the restrictions on, the President. The Vice Presidents shall have other powers and perform such other duties as may be prescribed by the Board of Trustees.

Section 8. Duties of Secretary

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 Trustees, and, if applicable, meetings of committees of Trustees and of members, 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 proceeding 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.

Keep at the principal office of the Corporation a membership book containing the name and address of each and any member, and in the case where any membership has been terminated, he or she shall record such fact in the membership book together with the date on which such membership ceased.

Exhibit at all reasonable times to any director of the Corporation, or to his or her attorney, on request therefore, the Bylaws, the membership book, and the minutes of the proceedings of the Trustees 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