

BYLAWS
OF
CALIFORNIA GRAIN AND FEED ASSOCIATION
(a California nonprofit mutual benefit corporation)

ARTICLE I.

General Provisions

Section 1. Name. The name of this corporation is CALIFORNIA GRAIN AND FEED ASSOCIATION (hereafter referred to in these bylaws as "CGFA" or "corporation").

Section 2. Principal Office. The principal office for the transaction of business of CGFA shall be located in California. The Board of Directors ("Board") shall have the authority to set and change the precise location of the principal office so long as the principal office remains in California. CGFA may also have offices at such other places within or without the State of California where it is qualified to do business, as its activities may require, and as the Board may from time to time designate.

Section 3. Purposes and Limitations. CGFA is a nonprofit mutual benefit corporation organized under California law. CGFA is formed for the purpose of engaging in any lawful act or activity for which a nonprofit mutual benefit corporation may be organized under the law.

The specific purpose of this corporation is to provide activities and services which benefit the grain and feed industry in California.

ARTICLE II.

Members

Section 1. Voting Members. CGFA is organized with members, but without capital stock. Any person maintaining an established place of business within the state of California and regularly engaged in warehousing, retailing, processing, manufacturing, brokering, merchandising, feeding or otherwise handling and distributing hay, grain, feed or feed ingredients shall be eligible for voting membership in CGFA, conditioned upon execution of the required membership application/agreement and payment of such dues, fees, and assessments as shall be established by the Board.

For purposes of these bylaws, "person" shall mean an individual, sole proprietorship, limited or general partnership, limited liability company (LLC), corporation, or any other business entity recognized by the state of California.

All persons admitted to voting membership in CGFA shall have the rights afforded members under the California Nonprofit Mutual Benefit Corporation Law, including the right to vote on issues put before the membership and to serve on the Board of Directors. Each voting member shall have one (1) vote on membership issues.

Each voting member who is not a natural person shall designate in writing the individual who shall exercise the voting rights and other privileges on behalf of the member. The designation shall be filed with the Secretary of CGFA and shall be maintained with the corporate records. Said designation may be changed by written notice to the Secretary of CGFA.

Section 2. Non-voting Members. CGFA may also admit non-voting members into CGFA. Persons who aren't qualified for voting membership but who have a bona fide interest in the mission of CGFA may become non-voting members upon signing and approval of a membership agreement and payment of the required dues and/or fees. Non-voting member categories include:

(a) Associate Members. Individuals, firms or corporations not engaged in selling grain, feeds or feed ingredients in any way, but which are allied with the grain milling, feed or feed industries including, but not limited to, financial institutions, transportation/trucking companies, laboratories, mill equipment vendors, consultants, insurance brokers and information companies are eligible for associate membership.

(b) Out-of-State Members. Individuals, firms or corporations who sell hay, grain, feed, supplements, pharmaceuticals, or feed ingredients, for use by the feed or grain milling industries or for direct use by a consumer buyer and who do not have an office or facility in California are eligible for out-of-state membership.

(c) Affiliate Members. Individuals only who have been involved in some phase of the feed and feeding industry previously, but are no longer actively engaged in business are eligible for affiliate membership.

(d) Association Members. Trade Associations representing industries related to food and agricultural production, processing, handling or distribution or whose members provide services thereto.

Non-voting members of CGFA shall not have any of the voting rights or other rights afforded voting members under the California Nonprofit Mutual Benefit Corporation Law.

Section 3. Dues, Fees, and Assessments. The dues, fees, and assessments for all members of CGFA shall be set by the Board.

Section 4. Good Standing. Those CGFA members who have timely paid the required fees, dues, and assessments, and who are not in violation of any bylaw, rule, policy or procedure of CGFA, shall be members in good standing.

Section 5. Termination of Membership. Membership shall terminate on the occurrence of any of the following events:

- (a) Resignation of a member upon notice to CGFA;
- (b) Death of a member who is a natural person;

- (c) The dissolution of a member that is a business or other entity;
- (d) Failure of a member to pay any fees, dues, or assessments within the period of time established by the Board after they become due and payable;
- (e) Expulsion pursuant to Sections 6 and 7 of this Article.

Section 6. Suspension or Expulsion from Membership. Any CGFA member may be suspended or expelled in accordance with this Article, based on the good faith determination by the Board, or a committee authorized by the Board to make such a determination, that the member has failed in a material and serious degree to comply with CGFA's Articles of Incorporation, bylaws, policies, procedures, or any law applicable to CGFA and its members, or has engaged in conduct materially and seriously prejudicial to the purposes and interests of CGFA.

A person whose membership is suspended shall not be a member in good standing during the period of suspension.

Section 7. Procedure for Suspension or Expulsion. If grounds appear to exist for suspension or expulsion of a member under this Article, the procedures set forth below shall be followed:

- (a) The member shall be provided at least 15 days prior notice of the proposed suspension or expulsion and the reasons for the proposed suspension or expulsion. Notice shall be given by any method reasonably calculated to provide actual notice. Any notice given by mail shall be sent first class or express mail to the member's last address as shown on CGFA's records.
- (b) The member shall be given an opportunity to be heard, either orally or in writing, at least five (5) days before the effective date of the proposed suspension or expulsion. The hearing shall be held, or the written statement considered, by the Board or by a committee authorized by the Board to determine whether the suspension or expulsion should take place.
- (c) The Board or authorized committee shall decide whether or not the member should be suspended, expelled or sanctioned in some other way. The decision of the Board or committee shall be final.
- (d) Any action challenging an expulsion, suspension or termination of membership, including any claim alleging defective notice, must be commenced within one year after the effective date of the expulsion, suspension or termination.

Section 8. Effect of Termination, Suspension or Expulsion. All rights and privileges of a member of CGFA shall cease upon termination, suspension or expulsion from membership. If a suspended member also has a director/officer on the Board, he/she will not be eligible to serve on the Board during the period of the member's suspension. He/she may resume his/her director/officer duties if the suspension is lifted and good standing is restored.

In the case of termination or expulsion, the member's membership in CGFA shall terminate on the effective date of the termination or expulsion. If the terminated or expelled member had a

director/officer on the Board, he/she shall no longer be eligible to serve on the Board as of the effective date of the member's termination or expulsion.

However, termination, suspension or expulsion shall not relieve the member (or former member) of any existing obligations to CGFA (e.g. unpaid dues, fees, or assessments, duties of loyalty and confidentiality relative to CGFA if the member had a director/officer on the Board, duty to return CGFA property and documents, etc).

Section 9. No property Rights/No Withdrawal Value. Membership in CGFA does not constitute an ownership interest in any asset of CGFA at any time. If a member is terminated or expelled for any reason, CGFA shall not be liable for the payment of any amount whatsoever to the member. Each member is received into membership on its express agreement to this provision.

Section 10. Transfer of Memberships. A membership or any right arising from membership may not be transferred to another person without the prior written approval of the Board.

Section 11. Limitations. No person shall hold more than one membership in CGFA.

Section 12. Liability of Members. Except as required by law, no member is liable for CGFA's debts, liabilities, or obligations.

Section 13. Meetings of Members.

- (a) Place of Meetings. Meetings of the members shall be held in any place designated by the Board. In the absence of any such designation, members' meetings shall be held at CGFA's principal office.
- (b) Annual Meeting. An annual meeting of the members shall be held each year at a time and location determined by the Board. At this meeting, any proper business may be transacted, subject to any limitations in law or these bylaws. Written notice of the annual members' meeting shall be given to all members of CGFA, and the Board, in accordance with the procedures provided in subsections (d) and (e) below. Only voting members of CGFA as described in Section 1 above may vote at the CGFA annual membership meeting. Other interested persons may attend (but do not vote), and may be excluded from some portions of the meeting in the discretion of the Board President.
- (c) Special Meetings of the Members. Other meetings of the members ("special meetings") may be called at any time by 1) the Board, (2) the President of the Board, or (3) five percent of the voting members.

A special meeting of members may be called by written request, specifying the general nature of the business proposed to be transacted and submitted to the President or the Secretary of CGFA. The officer receiving the request shall cause notice to be given promptly to the members entitled to vote, in accordance with subsections (d) and (e) below, stating that a meeting will be held at a specified time and date. If the meeting is called by anyone other than the Board or President, the meeting date shall be at least thirty-five (35), but not more than ninety (90) days after receipt of the request. If the Board or President calls the meeting, the meeting date may be any date for which appropriate notice is given in

accordance with subsections (d) and (e) below. If notice of a requested special meeting is not given within twenty (20) days after receipt of the request, the person or persons requesting the meeting may give the notice.

- (d) **Notice Requirements for Members' Meetings.** Written notice of any membership meeting shall be given, in accordance with these bylaws, to each voting member of CGFA. Subject to any additional requirements in law or these bylaws, the notice shall state the place, date and time of the meeting, the means of electronic transmission by and to CGFA (Corporations Code Sections 20 and 21) or electronic video screen communication, if any, by which members may participate in the meeting, and the general nature of the business to be transacted, and no other business may be transacted. The notice of any meeting at which directors are to be elected shall include the names of all those who are nominees at the time the notice is given to members.
- (e) **Manner of Giving Notice for Meetings.** Except as otherwise provided in these bylaws or by law, notice of any meeting of members shall be sent not less than 10 nor more than 90 days before the date of the meeting to each member who, on the record date for notice of the meeting, is entitled to vote; provided, however, that if notice is given by mail, and the notice is not mailed by first-class or express mail service, then that notice shall be given not less than 20 days before the meeting.

Notice of a members' meeting or any report shall be given personally, by electronic transmission (Corporations Code sections 20 and 21) if appropriate consents have been signed, or by regular, bulk, or express mail service, addressed to a member at the address of the member appearing on the books of CGFA or given by the member to CGFA for purpose of notice; or if no such address appears or is given, at the place where the principal office of CGFA is located. An affidavit of giving of any notice or report in accordance with the provisions section, executed by the Secretary, shall be prima facie evidence of the giving of the notice or report.

Notice given by electronic transmission by CGFA under this subdivision shall be valid only if it complies with Corporations Code Section 20. Notwithstanding the foregoing, notice shall not be given by electronic transmission by CGFA after either of the following:

- (1) CGFA is unable to deliver two consecutive notices to the member by that means.
- (2) The inability to so deliver the notices to the member becomes known to the Secretary or other person responsible for the giving of the notice.

Section 14. Waiver of Notice or Consent. The transactions of any members' meeting, however called or noticed and wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (1) a quorum is present, and (2) either before or after the meeting, each member who is not present in person, signs a written waiver of notice, a consent to holding of the meeting, or an approval of the minutes. The waiver of notice, consent or approval need not specify either the business to be transacted or the purpose of any meeting of members. All such waivers, and consents, or approvals shall be filed with the corporate records or made a part of the minutes.

A member's attendance at a meeting shall also constitute a waiver of notice of and presence at that meeting, unless the member objects at the beginning of the meeting to the transaction of any business because the meeting was not lawfully called or convened. Also, attendance at a meeting is not a waiver of any right to object to the consideration of matters required to be included in the notice of the meeting, but not so included, if that objection is expressly made at the meeting.

Section 15. Quorum. One-third (1/3) of the voting members shall constitute a quorum for the transaction of business at any meeting of members.

Section 16. Loss of Quorum. The members present at a duly called or held meeting at which a quorum is present may continue to transact business until notwithstanding the withdrawal of enough members to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the members required to constitute a quorum (or by a greater number if required by law or by the articles of incorporation or these bylaws). Any meeting may be adjourned by a majority of those members in attendance, whether or not a quorum is present.

Section 17. Act of the Members. If a quorum is present, the affirmative vote of a majority of the voting power represented at the meeting, entitled to vote and voting on any matter, shall be the act of the members, unless the vote of a greater number is required by law, or by the articles of incorporation or these bylaws.

Section 18. Eligibility to Vote/Number of Votes. Voting members entitled to vote at any meeting of members or by ballot shall be all those voting members in good standing as of the date the vote is taken. Each voting member shall be entitled to one vote at any annual or special meeting of members.

Section 19. Proxies. Proxy voting is not allowed.

Section 20. Action of Members by Written Ballot Without a Meeting. Any action that may be taken at any meeting of members may be taken without a meeting by complying with the following procedure.

The President of CGFA shall cause a ballot to be distributed to each voting member in accordance with Section 13(e) of this Article.

Any written ballot pursuant to this section shall: 1) set forth the proposed action, 2) provide an opportunity to specify approval or disapproval of any proposed action, and 3) provide a reasonable time within which to return the ballot to CGFA.

The cover letter or memo soliciting ballots shall indicate the number of responses needed to meet the quorum requirement and, with respect to ballots other than for the election of directors, shall state the percentage of approvals necessary to pass the action submitted. The solicitation must specify the time by which the ballot must be received by CGFA in order to be counted.

Approval of an action by written ballot pursuant to this section shall be valid only when the number of votes cast by ballot within the time period specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

Directors may be elected by written ballot under this section. If directors are to be elected by written ballot and the Board adopts a nomination procedure for the election process, the procedure may provide for a date for the close of nominations prior to the printing and distributing of the written ballots.

A written ballot may not be revoked. All written ballots shall be filed with the Secretary of CGFA and maintained in the corporate records for at least three years.

ARTICLE III.

Board of Directors

Section 1. Powers of Board of Directors. The Board, subject to restrictions of law, the Articles of Incorporation, and these bylaws, shall exercise all powers of CGFA. Without limitation on its general power, except as specified herein, the Board may do the following:

- (a) **Policies.** Adopt policies, rules and procedures for the management and operation of CGFA.
- (b) **Administration.** Employ or retain an individual or management firm to administer the day-to-day activities of CGFA. The person paid to manage the day to day activities of CGFA shall be known as the Executive Director. The Board may also employ, retain, or authorize the employment of such other employees, independent contractors, agents, accountants, and legal counsel as it from time to time deems necessary or advisable in the interest of CGFA, prescribe their duties and set their compensation, or delegate this authority to its management.
- (c) **Bonds.** May require officers, agents, and employees charged by CGFA with responsibility for the custody of any of its funds or negotiable instruments to give adequate bond.
- (d) **Borrowing money.** Borrow money and incur indebtedness on behalf of CGFA and cause to be executed and delivered for CGFA's purposes, in CGFA name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, liens, and other evidences of debt and securities.
- (e) **Gifts.** Receive and accept gifts, devises, bequests, donations, annuities, and endorsements of real and personal property, and use, hold and enjoy the same, both as to principal and income, and to invest and re-invest the same or any part thereof for the furtherance of any objects, interests or purposes of this CGFA.
- (f) **Contributions.** Make such contributions as the Board determines are necessary and advisable in furtherance of the interests and purposes of this CGFA.
- (g) **Fiscal Year.** Fix and change the fiscal year of CGFA.
- (h) **Contracts.** Enter into contracts and agreements with individuals and with public and private entities for the advancement of the purposes for which CGFA is organized.

- (i) Property. Acquire, construct and possess real and personal property.
- (j) Bank Accounts and Special Funds. Establish one or more bank accounts and/or special funds in order to accomplish and further the purposes of CGFA.
- (k) Committees. Appoint committees of the Board or advisory committees as provided in these bylaws.
- (l) Lobbying/Political Activity. Lobby local, state, and federal agencies and officials and engage in political activity on issues important to the members of CGFA.
- (m) Other. Do and perform all acts and exercise all powers incidental to, or in connection with, or deemed reasonably necessary for the proper implementation of the purposes of CGFA.

Section 2. Number/Qualifications. The Board shall consist of not less than eleven (11) and not more than fifteen (15) elected directors, the exact number to be determined by resolution of the Board from time to time. At least one (1) of the directors shall be elected by the voting members from among the non-voting associate members. Of the directors elected by the and from among the voting members, two (2) shall be elected by the members to the specific officer positions of President and Vice-President. Those two individuals shall be directors, but shall also be officers as described in Article IV below.

The Board may also, in its discretion, appoint the immediate past President to serve on the Board if that individual is not re-elected to the Board through the regular election process. Whether elected or appointed, an immediate past President serving on the Board must be counted as part of the “exact number” of directors determined above, and shall be counted for purposes of the “authorized number of directors” quorum calculation in section 14 below. Every director must be interested in and committed to the mission and purposes of CGFA.

Section 3. Election of Directors. Elected directors shall be elected at the annual meeting of members, or annually by written ballot in accordance with Article II Section 20 of these bylaws. The Board may adopt additional procedures relative to the nomination and election process.

Section 4. Terms of Office. The term of office for all directors (except the President and Vice-President, and immediate past President if applicable) shall be three (3) years and all directors shall serve until expiration of the term for which elected and until a successor has been elected and qualified. The President, Vice-President, and any immediate past President on the Board shall serve one (1) year terms. There shall be no limit on the number of terms a director may serve if he or she remains qualified and elected or appointed. The Board may stagger the terms of directors using any reasonable method.

Section 5. Reduction of Number of Directors. No change of the authorized number of directors shall have the effect of removing any director before that director’s term of office expires.

Section 6. Resignations/Removals. Any director may resign by giving written notice to the President or the Secretary. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective.

Any director may be removed from the Board by a majority vote of the voting members at any properly called and noticed membership meeting where a quorum is present or by written ballot pursuant to Section 20 of Article II above.

Section 7. Vacancies. A vacancy or vacancies on the Board shall exist on the occurrence of the following: (a) the death or resignation of any director, (b) the declaration by resolution of the Board of a vacancy in the office of a director who has been declared of unsound mind by an order of court or convicted of a felony, (c) the vote of the members to remove any director(s), (d) the increase of the authorized number of directors, or (e) the failure of the members, at any meeting of members at which any director or directors are to be elected, to elect the number of directors required to be elected at that meeting.

Section 8. Filling Vacancies. Vacancies on the Board may be filled by a majority vote of the remaining directors on the Board at any properly called and noticed Board meeting where a quorum is present. The members may fill any vacancy or vacancies not filled by the Board. Any individual filling a vacancy pursuant to this section shall meet the criteria for election to that seat. An individual appointed to fill a vacancy shall serve until the end of the term of the individual whose seat he/she is filling.

Section 9. Annual and Special Board Meetings. An annual meeting of the Board shall be held at a time and place determined by the Board. Other meetings ("special meetings") of the Board may be held from time to time on the call of the Board President, the Executive Director, or any two directors. The time and purpose for any special meeting shall be set by the person(s) calling such meeting.

Section 10. Notice of Board Meetings. Notice of meetings of the Board, specifying the time and place of the meeting, shall be given to each director at least seven (7) days before the meeting if sent by first-class mail or express mail service, or forty-eight (48) hours before the meeting if personally delivered or delivered by telephone (including a voice messaging system), or by electronic transmission by CGFA (Corporations Code Section 20, if appropriate consents have been signed).

Notice shall be deemed delivered when deposited in the U.S. mail or with an express mail service, or when received if delivered personally or by telephone, or on its confirmation of delivery if by electronic transmission. A notice, or waiver of notice, need not specify the purpose of any meeting of the board.

Section 11. Place and Time of Meetings. Meetings of the Board shall be held at whatever place and time is designated from time to time by the Board or persons calling the meeting and, in the absence of any designation, shall be held at the principal office of CGFA.

Section 12. Board meetings by Telephone or Video Conference or by Electronic Transmission.

Directors may participate in a meeting of the Board through use of conference telephone, electronic video screen communication, or electronic transmission by and to CGFA (Corporation Code Sections 20 and 21 if appropriate consents are signed).

Participation in a meeting through use of conference telephone or electronic video screen communication constitutes presence in person at that meeting as long as all directors participating in the meeting are able to hear one another.

Participation in a meeting through use of electronic transmission by and to CGFA, other than conference telephone and electronic video screen communication, constitutes presence in person at that meeting if both of the following apply:

(a) Each director participating in the meeting can communicate with all of the other directors concurrently.

(b) Each director is provided the means of participating in all matters before the Board, including, without limitation, the capacity to propose, or to interpose an objection to, a specific action to be taken by CGFA.

Section 13. Waiver of Notice and Consent to Meetings. Notice of a meeting need not be given to any director who, either before or after the meeting, signs a waiver of notice, a written consent to the holding of the meeting, or an approval of the minutes of the meeting. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meetings. Notice of a meeting need not be given to any director who attends the meeting and does not protest, before or at the commencement of the meeting, the lack of notice to him or her.

Section 14. Quorum. A majority of the authorized number of directors shall constitute a quorum of the Board for the transaction of business.

Section 15. Act of the Board. Unless otherwise restricted by law or these bylaws, every act or decision done or made by a majority of directors present at a meeting duly held at which a quorum is present shall be regarded as an act of the Board. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of a director(s), if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

Section 16. Adjournment. A majority of the directors present, whether or not a quorum, may adjourn any meeting to another time and place. If the meeting is adjourned for more than 24 hours, notice of the adjournment to another time or place must be given prior to the time of the adjourned meeting to the directors who were not present at the time of the adjournment. Any business that might have been transacted at a meeting as originally noticed may be transacted at an adjourned and rescheduled meeting.

Section 17. Closed Meetings. Any meeting of the Board may be closed by the President so that only directors and individuals deemed necessary by the President are present. Members of CGFA who are not directors may attend any Board meeting unless excluded by the President as described in this Section.

Section 18. Board Action Without Meeting. Any action required or permitted to be taken by the Board may be taken without a meeting, if all directors on the board individually or collectively consent in writing to that action. An action by written consent shall have the same force and effect as a unanimous vote of the directors.

Section 19. Attendance. Any director who misses three (3) consecutive Board meetings for any reason automatically loses his or her seat on the Board. Staff will immediately notify the director in writing regarding the removal after the third missed Board meeting.

The Board may waive this provision as to a particular director by majority vote. The Board's waiver of the automatic removal provision can be based on an excuse acceptable to the Board or any other justification deemed appropriate by the Board. Any vacancy created by this provision shall be filled in accordance with Article III, Section 8 above.

Section 20. Compensation of Directors/Officers. Directors and officers shall not receive compensation for their services as directors/officers. Directors/officers may, at the discretion of the Board, receive reimbursement for travel and other actual expenses related to activities on behalf of CGFA if authorized by the Board or a committee having such authority.

Section 21. Voting Power. For all purposes, the voting power of each director shall be one vote.

Section 22. Property Rights. No director shall have any property rights in any assets of CGFA.

ARTICLE IV.

Officers

Section 1. Officers of the Corporation. The elected officers of the corporation shall be a President, Vice-President, Secretary, and Treasurer. All elected officers must be directors. The positions of Secretary and Treasurer may be combined into one position at the discretion of the Board, and if so, the position shall be known as the Secretary/Treasurer. The Executive Director, if any, shall be an officer of the corporation, but not an elected officer. The Board Secretary and Treasurer may delegate their duties to the Executive Director or to other paid staff.

Section 2. Election of Officers. The President and Vice-President shall be elected by the members pursuant to Article III above and are automatically directors on the Board.

The Secretary and Treasurer (or Secretary/Treasurer) shall be elected by the Board from among its directors. The elected Secretary and Treasurer may delegate their duties to the Executive Director or to other paid staff.

Section 3. Terms of Office; Term Limits. Elected officers shall serve at the pleasure of the Board for one (1) year terms. There is no limit on the number of terms an elected officer may serve if he or she is a director and continues to be qualified and/or elected by the Board.

Section 4. Removal of Officers. The President and Vice-President, because elected by the members, may only be removed from office (with or without cause) by a majority vote of the voting members at any properly called and noticed membership meeting where a quorum is present. The Secretary and/or Treasurer may be removed from office at any time, with or without cause, by a majority vote of the Board at any properly called and noticed meeting where a quorum is present.

Section 5. Resignation of Officers. An officer may resign at any time by giving written notice to the President or Secretary of the Association. The resignation shall take effect as of the date the notice is received or at any later time specified in the notice and, unless otherwise specified in the notice, the resignation need not be accepted to be effective.

Section 6. Vacancies in Office. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled by a majority vote of the directors present at any annual or special meeting of the Board where a quorum is present. The individual filling a vacant officer position shall serve until the end of the term of the officer whose vacancy he or she is filling.

Section 7. Responsibilities of Officers.

(a) President. The President of the Board shall preside at meetings of the Board and shall exercise and perform such other powers and duties as the Board may assign from time to time. If there is no Executive Director, the President of the Board shall also fulfill the duties of a chief executive officer and shall have the powers and duties of the Executive Director of the corporation prescribed by these Bylaws.

(b) Vice-President. If the President is absent or disabled, the Vice-President shall perform all duties of the President. When so acting, the Vice-President shall have all powers of and be subject to all restrictions on the President. The Vice-President shall have such other powers and perform such other duties as the Board or the Bylaws may prescribe.

(c) Secretary.

(i) Book of Minutes. The Secretary shall keep or cause to be kept, at the corporation's principal office or such other place as the Board may direct, a book of minutes of all meetings, proceedings, and actions of the Board, and committees of the Board. The minutes of meetings shall include the time and place that the meeting was held, whether the meeting was annual or special, and, if special, how authorized, the notice given, and the names of those present at the Board and committee meetings. The Secretary shall keep or cause to be kept, at the principal office in California, a copy of the Articles of Incorporation and the Bylaws, as amended to date.

(ii) Notices and Other Duties. The Secretary shall give, or cause to be given, notice of all meetings of the Board and of its committees required by these Bylaws. The Secretary shall have such other powers and perform such other duties as the Board or the Bylaws may prescribe.

(iii) If both the President and the Vice-President are absent or unable to serve, the Secretary shall perform all the duties of the President. When so acting, the Secretary shall have all powers of and be subject to all restrictions on the President.

(d) Treasurer.

(i) Books of Account. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the corporation's properties and transactions. The Treasurer shall send or cause to be given to the directors such financial statements and reports as are required to be given by law, by these Bylaws, or by the Board. The books of account shall be open to inspection by any director at all reasonable times.

(ii) Deposit and Disbursement of Money and Valuables. The Treasurer shall deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the corporation with such depositories as the Board may designate, shall disperse the

corporation's funds as the Board may order, shall render to the President or the Board, when requested, an account of all transactions as Treasurer and of the financial condition of the corporation, and shall have such other powers and perform such other duties as the Board or the Bylaws may prescribe.

ARTICLE V.

Committees

Section 1. Committees of the Board. The Board may create one or more “committees of the Board”, each consisting of two or more directors *and no persons who are not directors*, to serve at the pleasure of the Board. Except where stated otherwise in these bylaws or in the resolution creating the committee, appointments to committees of the Board shall be made by the President. Any such committee, to the extent provided in the Board resolution creating the committee, shall have all the authority of the Board, except that no committee, regardless of Board resolution, may:

- (a) Fill vacancies on the Board or on any committee that has the authority of the Board;
- (b) Fix compensation of the directors for serving on the Board or on any committee;
- (c) Amend or repeal Bylaws or adopt new Bylaws;
- (d) Amend or repeal any resolution of the Board that by its express terms is not so amendable or repealable;
- (e) Create any other committees of the Board or appoint the members of committees of the Board; or
- (f) Approve any contract or transaction to which CGFA is a party and in which one or more of its directors has a material financial interest, except as allowed by the California Corporations Code.

Section 2. Executive Committee. The Executive Committee shall be a “standing committee of the board” subject to all the rules applicable to “committees of the board” described in this Article.

The Executive Committee shall consist of the elected officers of CGFA – President, Vice-President, Secretary and Treasurer – as well as the immediate past President if that individual is still a director on the Board.

The Executive Committee shall have the authority of the Board between Board meetings to make decisions and take actions relative to the operation of CGFA. The Executive Committee shall report any decisions made or actions taken at each meeting of the full Board. The Executive Committee may also develop policies for Board approval, and may review and recommend to the Board changes to the bylaws and to other operating policies.

Without diluting the general authority granted to the Executive Committee by this provision, the Executive Committee shall oversee and have final decision-making authority with respect to personnel matters.

Section 3. Notice Requirements for Committees of the Board. Written notice for meetings of committees of the Board shall be given in accordance with Article III of these bylaws. Provided, however, that this notice may be waived in writing, or by the committee member's actual attendance at the meeting.

Section 4. Quorum for Committees of the Board. A majority of the voting members of any committee of the Board shall constitute a quorum, and the acts of a majority of the voting members present at a meeting at which a quorum is present shall constitute the act or recommendation of the committee.

Section 5. Advisory Committees. The Board may also establish advisory committees composed of any number of directors and/or non-directors who shall be appointed by the President. Advisory committees shall provide advice and recommendations to the Board but shall not generally have the authority of the Board or any final decision making authority.

Section 6. Meetings by Telephone or Video Conference or by Electronic Transmission. Any meeting of a committee may be held by telephone or video conference or by electronic transmission in the same manner provided for in Article III of these bylaws.

ARTICLE VI.

Liability, Indemnification, and Insurance

Section 1. Liability. Subject to any limitations contained in the California Corporations Code, there is no monetary liability on the part of, and no cause of action for damages shall arise against, any volunteer director or officer of CGFA based on any alleged failure to discharge the person's duties as a volunteer director or officer if the duties are performed in accordance with the standards of conduct provided for in the California Corporations Code.

Section 2. Indemnification.

- (a) Right of Indemnity. To the fullest extent permitted by law, this CGFA shall indemnify its directors, officers, employees, and other persons described in Section 7237(a) of the California Corporations Code, including persons formerly occupying any such position, against all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred by them in connection with any "proceeding," as that term is used in that Section, and including an action by or in the right of CGFA, by reason of the fact that the person is or was a person described in that Section. "Expenses," as used in this bylaw, shall have the same meaning as in Section 7237(a) of the California Corporations Code.
- (b) Approval of Indemnity. On written request to the Board by any person seeking indemnification under Section 7237(b) or Section 7237(c) of the California Corporations Code, the Board shall promptly determine under Section 7237(e) of the California Corporations Code whether the applicable standard of conduct set forth in Section 7237(b) or Section 7237(c) has been met and, if so, the Board shall authorize indemnification. If the Board cannot authorize indemnification because the number of directors who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of directors who are not parties to that proceeding, the Board shall promptly call a meeting of

members. At that meeting, the members shall determine under Section 7237(e) whether the applicable standard of conduct set forth in Section 7237(b) or Section 7237(c) has been met and, if so, the members present at the meeting shall authorize the indemnification.

Section 3. Insurance. The Board shall adopt a resolution authorizing the purchase and maintenance of an insurance policy or policies or bond on behalf of its directors, officers or employees against any liabilities, other than for violating provisions against self-dealing, incurred by the director, officer or employee in such capacity or arising out of their status as such.

ARTICLE VII.

Reports and Statements

Section 1. Annual Report. CGFA shall notify each member yearly of the member's right to receive a financial report pursuant to Section 8321 of the California Corporations Code. Except as provided below, upon written request of a member, the board shall promptly cause the most recent annual report to be sent to the requesting member. An annual report shall be prepared not later than 120 days after the close of the corporation's fiscal year. That report shall contain in appropriate detail the following:

- (a) A balance sheet as of the end of that fiscal year and an income statement and a statement of cashflows for that fiscal year.
- (b) A statement of the place where the names and addresses of the current members are located.
- (c) Any information required by Section 2 below.

The report shall be accompanied by any report thereon of independent accountants, or, if there is no report, the certificate of an authorized officer of the corporation that the statements were prepared without audit from the books and records of the corporation.

The requirements of this section do not apply to the corporation if it received less than ten thousand dollars (\$10,000) in gross revenues or receipts during the fiscal year.

Section 2. Annual Statement of Certain Transactions and Indemnifications.

If any of the following types of transactions or indemnifications occurred during the previous fiscal year, then as part of the annual report to all directors, or as a separate document if no annual report is issued, the corporation shall prepare and mail or deliver to each director a statement of any such transaction or indemnification within 120 days after the end of the corporation's fiscal year:

- (a) Any transaction:
 - (i) in which the corporation, its parent or its subsidiary was a party,
 - (ii) in which an "interested person" (as defined in the Nonprofit Mutual Benefit Corporation Law) had a direct or indirect material financial interest, and

- (iii) which involved more than \$50,000, or was one of a number of transactions with the same "interested person" involving, in the aggregate, more than \$50,000.

The statement shall include a brief description of the transaction, the names of "interested persons" involved, their relationship to the corporation, the nature of their interest in the transaction and, if practicable, the amount of that interest, provided that if the transaction was with a partnership in which the "interested person" is a partner, only the interest of the partnership need be stated.

(b) Any indemnifications or advances aggregating more than \$10,000 which were paid during the fiscal year to any officer or director of the corporation.

ARTICLE VIII.

Miscellaneous

Section 1. Inspection of Records. The members and directors of CGFA shall have the right to inspect the records of CGFA to the extent and under the circumstances provided by the California Nonprofit Mutual Benefit Corporation Law and as determined specifically by the Board.

Section 2. Fiscal Year. Unless changed by the Board, the fiscal year of CGFA shall begin on July 1 and end on June 30.

Section 3. Conflicts of Interest. Board members and committee members must actively seek to avoid situations and activities that create an actual or potential conflict between the individual's personal interests and the interests of CGFA. If a Board member or committee member believes that a conflict exists relative to a particular issue being considered by the Board or any committee, he or she shall disclose the conflict to the Board or committee, as appropriate, and abstain from discussion or voting on the issue.

For purposes of this section and these bylaws, a "conflict of interest" means a situation in which a Board or committee member is part of a discussion or decision by the Board or a committee which has the potential to financially benefit that Board or committee member or a member of that Board or committee member's immediate family. "Immediate family" means, spouse or same-sex/domestic partner, children, parents, siblings, parents-in-law, or siblings-in-law.

Both the fact and the appearance of a conflict of interest should be avoided. Board members or committee members who are unsure as to whether a certain transaction, activity, or relationship constitutes a conflict of interest should discuss it with the President, who will determine whether disclosure to the Board or the assistance of legal counsel is required.

Section 4. Intellectual Property. All intellectual property prepared or purchased by or on behalf of CGFA, including but not limited to the CGFA name, educational, promotional, and training materials, newsletters, contracts, logos, service marks, membership lists, contributor lists, and research results, shall be the exclusive property of CGFA, and directors, members, and contractors/employees agree to deal with it as such. Directors, members and contractors/employees agree that they will not sell, transfer, publish, modify, distribute, or use for their own purposes, the intellectual property belonging to CGFA without prior approval of the Board memorialized in a writing signed by the President.

Section 5. Required Reporting and Filings. CGFA shall comply with the reporting and filing requirements of federal and state agencies to which it is subject.

Section 6. Parliamentary Procedure. The rules contained in the current edition of "Roberts Rules of Order Newly Revised" shall govern CGFA in all cases to which they are applicable and in which they are not inconsistent with these Bylaws and any special rules of order CGFA may adopt.

ARTICLE IX.

Amendments

Section 1. Amendment to Bylaws. These bylaws may be initially adopted, amended, or repealed and new bylaws adopted, by a majority vote of the Board at any properly called and noticed meeting where a quorum is present.

However, approval of the members is also required for any amendment or for new bylaws that would:

- (a) Materially and adversely affect the members' rights as to voting or dissolution;
- (b) Effect an exchange, reclassification, or cancellation of all or part of the memberships;
- (c) Authorize a new class of membership;
- (d) Change the number of authorized directors;
- (e) Change from a fixed number of directors to a variable number of directors, or vice versa;
- (f) Increase or extend the terms of directors;
- (g) Allow any director to hold office by designation or selection rather than by election by the members;
- (h) Increase the quorum for members' meetings; or
- (i) Repeal, restrict, create, expand, or otherwise change proxy rights.

All proposed bylaw amendments or new bylaws must be sent to all directors and/or members eligible to vote on such amendments or new bylaws at least three (3) days prior to the meeting at which the amendments or new bylaws will be discussed and voted on.

ARTICLE X.

Dissolution

Section 1. Voluntary Dissolution. CGFA may be voluntarily dissolved at any time by a 2/3 vote of the voting members at any properly called meeting where a quorum is present. If the voting members approve the dissolution, the Board shall promptly cease operations and proceed to wind up and dissolve CGFA.

Section 2. Remaining Assets. Upon the dissolution of CGFA, all debts thereof shall be paid and its affairs settled, and all remaining assets shall be distributed as determined at the time of dissolution by the CGFA Board in its sole discretion, so long as the distribution is not inconsistent with law.

Approved by the Board of Directors February 15, 2023
Approved by the Voting Members and Effective March 17, 2023