

**BYLAWS OF**  
**SRC LIVING LEGACY FOUNDATION**  
**A California Nonprofit Public Benefit Corporation**

**ARTICLE ONE: OFFICES**

**1.01        PRINCIPAL OFFICE.** The Board of Directors shall fix the location of the principal office for the transaction of the activities and affairs of the Corporation at any place within the State of California. The Board of Directors may change the principal office from one location to another.

**1.02        OTHER OFFICES.** The Board of Directors may at any time establish branch or subordinate offices at any place or places where the Corporation is qualified to conduct its activities.

**ARTICLE TWO: PURPOSES AND LIMITATIONS**

**2.01        GENERAL PURPOSES.** This Corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for charitable and educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code (or corresponding provision of any future United States internal revenue law). Notwithstanding any other provision of these Bylaws, this Corporation shall not, except to an insubstantial degree, carry on or engage in any activities or exercise any powers that are not in furtherance of the purposes of this Corporation, and the Corporation shall not carry on any other activities not permitted to be carried on (i) by a corporation exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code (or corresponding provision of any future United States internal revenue law); or (ii) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code (or the corresponding provision of any future United States internal revenue law).

**2.02        SPECIFIC PURPOSES.** Within the context of the general purposes stated above, this Corporation is organized for charitable and educational purposes including, without limitation, to make charitable and educational gifts as follows:

(a) as grants, loans, or distributions to charitable organizations which are described in Internal Revenue Code Section 501(c)(3) to enable such organizations to carry out their charitable purposes,

(b) as grants, loans, or distributions to charitable organizations which are not organized in the United States but which meet the requirements of Revenue Procedure 92-94 including providing the Corporation with an affidavit described in Revenue Procedure 92-94,

(c) as grants to individuals for other than IRC Section 4945(d)(3) purposes, such as grants to indigent individuals to enable them to purchase the basic necessities of life, grants for child protective and safety purposes, grants to help battered women and their children, and grants to help handicapped persons, and

(d) as grants for IRC Section 4945(g) purposes, which grants:

(1) will be awarded on an objective and nondiscriminatory basis, and

(2) shall constitute a scholarship or fellowship grant excludable from gross income under IRC Section 117(a) and are to be utilized for study at an educational institution described in IRC Section 170(b)(1)(A)(ii), or

(3) shall constitute prizes or awards which are excluded from gross income under IRC Section 74(b) and the recipient of such prize or award shall be selected from the general public (within the meaning of Section 4941(d)(2)(G)(i) and the regulations thereunder), including prizes and awards made primarily in recognition of religious, charitable, scientific, educational, artistic, literary, or civic achievement, and including awards to persons who achieve outstanding accomplishments which benefit society, but only if the recipient is selected without any action on his or her part to enter a contest or proceeding and the recipient is not required to render substantial future services as a condition to receiving such prize or award, or

(4) the purpose shall be to achieve a specific objective, produce a report or other similar product, or improve or enhance a literary, artistic, musical, scientific, teaching or other similar capacity, skill or talent of the recipient.

## **2.03 LIMITATIONS.**

(A) Political Activity. No substantial part of the activities of this Corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and this Corporation shall not participate or intervene in any political campaign (including publishing or distributing statements) on behalf of any candidate for public office.

(B) Property. This Corporation's assets are irrevocably dedicated to the purposes set forth in Sections 2.01 and 2.02 above. No part of the net income or assets of this Corporation, on dissolution or otherwise, shall ever inure to the benefit of any director, officer or member thereof, or to the benefit of any private person.

(C) Dissolution. Upon the dissolution or winding up of the Corporation, all properties and assets remaining after payment of, or provision for payment of, all debts and liabilities of this Corporation shall be distributed to an organization (or organizations) organized and operated exclusively for charitable and educational purposes, if the organization has established its tax-exempt status under Internal Revenue Code Section 501(c)(3) or the corresponding provision of any future United States internal revenue law, and has established its tax-exempt status under Revenue and Taxation Code Section 23701d or the corresponding section of any future California revenue and tax law.

### **ARTICLE THREE: MEMBERS**

**3.01 MEMBERS.** This Corporation shall have no Members as that term is defined in California Corporations Code Sections 5310 et. seq. The Board of Directors may, however, authorize the creation of "Associates" of the Corporation, who may be any legal person or any real person eighteen years of age or older of good character, dedicated to the purposes of the Corporation. Such Associates shall be appointed by the Board of Directors. Associates may be known as Members and issued a Certificate of Membership but shall have none of the rights, privileges, preferences, responsibilities, or duties of Members as defined in California Non-Profit Public Benefit Corporation Law, Corporations Code Sections 5310 through 5354, inclusive.

**3.02 CLASSES OF ASSOCIATES.** The Corporation may have one or more classes of "Members" as that term is defined in Section 3.01 above, consisting of persons dedicated to the purposes of this Corporation, who meet other qualifications for membership, as the Board may determine from time to time.

### **ARTICLE FOUR: DIRECTORS**

**4.01 GENERAL CORPORATE POWERS.** Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and any other applicable laws, and subject to any limitations of the Articles of Incorporation and of these Bylaws, the Corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board of Directors.

**4.02 SPECIFIC POWERS.** Without prejudice to the general powers set forth in Section 4.01 of these Bylaws, but subject to the same limitations, the Directors shall have the power to:

(a) Appoint and remove, at the pleasure of the Board, all the Corporation's officers, agents, and employees; prescribe powers and duties for them that are consistent with law, with the Articles of Incorporation, and with these Bylaws; and fix their compensation and require from them security for faithful performance of their duties.

(b) Change the principal office or the principal business office in California from one location to another; cause the Corporation to be qualified to conduct its activities in any other state, territory, dependency, or country and conduct its activities within or outside California; and designate any place within or outside California for holding any meeting, including annual meetings.

(c) Adopt and use a corporate seal and alter the form thereof.

(d) Borrow money and incur indebtedness on behalf of the Corporation and cause to be executed and delivered for the Corporation's purposes, in the corporate name,

promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations and other evidences of debt and securities.

**4.03 AUTHORIZED NUMBER OF DIRECTORS.** The authorized number of Directors shall be a minimum of six (6) and a maximum of nine (9) until changed by a duly adopted amendment to these Bylaws adopted by a majority vote of the members of the Board then in office.

**4.04 SELECTION.** The Board of Directors shall be selected as follows:

(a) Initial Directors. The initial Board members shall be elected by the Incorporator named in the Corporation's Articles of Incorporation.

(b) Subsequent Directors. At the expiration or earlier termination of the terms of office of the initial Directors, their successors shall be chosen by a majority vote of the members of the Board then in office, whether or not less than a quorum, or by a sole remaining Director.

**4.05 RESTRICTION ON INTERESTED PERSONS AS DIRECTORS.** No more than forty-nine percent (49%) of the persons serving on the Board may be interested persons. An interested person is (a) any person compensated by the Corporation for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a Director as Director; and (b) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of such person. However, any violation of the provisions of this paragraph shall not affect the validity or enforceability of any transaction entered into by the Corporation.

**4.06 TERM OF OFFICE.** The Directors newly appointed or selected in accordance with Section 4.04 shall hold office for a term of one (1) year.

**4.07 VACANCIES ON BOARD OF DIRECTORS.** A vacancy or vacancies on the Board of Directors shall exist on the occurrence of the following: (a) the death, removal, 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, convicted of a felony, or found by final order or judgment of any court to have breached a duty under Article 3 of Chapter 2 of the California Nonprofit Public Benefit Corporation Law; (c) the increase of the authorized number of Directors; or (d) failure to attend five (5) or more meetings in one (1) year after notice by the Board.

**4.08 RESIGNATIONS.** Except as provided below, any Director may resign by giving written notice to the Chairman of the Board, if any, or to the President or the Secretary of the Board. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective. If a Director's resignation is effective at a later time, the Board may elect a successor to take office as of the date when the resignation becomes

effective. Except on notice to the Attorney General of California, no Director may resign if the Corporation would be left without a duly elected Director or Directors in charge of its affairs.

**4.09 REMOVAL OF DIRECTORS.** Any Director may be removed, with or without cause, by the vote of the majority of the Board of Directors at a special meeting called for that purpose, or at a regular meeting, provided that notice of that meeting and of the removal questions are given as provided in Sections 4.17 and 4.18 of these Bylaws.

**4.10 FILLING VACANCIES.** Vacancies on the Board may be filled by a majority of the Directors then in office, whether or not less than a quorum, or by a sole remaining Director.

**4.11 NO VACANCY ON REDUCTION OF NUMBER OF DIRECTORS.** No reduction of the authorized number of Directors shall have the effect of removing any Director before that Director's term of office expires.

**4.12 PLACE OF DIRECTORS' MEETINGS.** Meetings of the Board of Directors shall be held at any place within or outside California that has been designated by resolution of the Board or in the notice of the meeting or, if not so designated, at the principal office of the Corporation.

**4.13 MEETINGS BY TELEPHONE OR OTHER TELECOMMUNICATIONS EQUIPMENT.** Any meeting may be held by conference telephone, video screen communication, or other communications equipment. Participation in a meeting under this Section shall constitute presence in person at the meeting if both of the following apply: (a) each Director participating in the meeting can communicate concurrently with all other Directors; and (b) each Director is provided the means of participating in all matters before the Board, including the capacity to propose, or to interpose an objection to, a specific action to be taken by the Corporation.

**4.14 ANNUAL MEETING.** The Board of Directors shall hold an annual meeting on the third Monday of the third month following the close of the corporation's fiscal year for purposes of organization, election of officers, and transaction of other business; provided, however, that the Board may fix another time for the holding of its annual meeting. Notice of this meeting is not required.

**4.15 OTHER REGULAR MEETINGS.** Other regular meetings of the Board may be held without notice at such time and place as the Board may fix from time to time.

**4.16 SPECIAL MEETINGS - AUTHORITY TO CALL.** Special meetings of the Board of Directors for any purpose may be called at any time by the Chairman of the Board, if any, the President or any Vice President, the Secretary, or any two Directors.

**4.17 MANNER OF GIVING NOTICE.** Notice of the time and place of special meetings shall be given to each Director by one of the following methods: (a) by personal delivery of written notice; (b) by first-class mail, postage prepaid; (c) by telephone, including a voice messaging system or other system or technology designed to record and communicate



messages, or by electronic transmission, either directly to the Director or to a person at the Director's office who would reasonably be expected to communicate that notice promptly to the Director; (d) by facsimile; (e) by electronic mail; or (f) by other electronic means. All such notices shall be given or sent to the Director's address or telephone number as shown on the records of the Corporation.

**4.18 TIME REQUIREMENTS.** Notices sent by first-class mail shall be deposited in the United States mails at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, or electronic transmission shall be delivered, telephoned, or sent, respectively, at least forty-eight (48) hours before the time set for the meeting. Emergency meetings may be held on lesser notice provided (a) a good faith effort to notify each Director is made; and (b) the meeting is limited to the emergency matter which is duly recorded in the minutes.

**4.19 NOTICE CONTENTS.** The notice shall state the time of the meeting, and the place if the place is other than the principal office of the Corporation. It need not specify the purpose of the meeting.

**4.20 QUORUM.** A majority of the authorized number of Directors shall constitute a quorum for the transaction of business, except to adjourn. Every action taken or decision made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be the act of the Board, subject to the more stringent provisions of the California Nonprofit Public Benefit Corporation Law, including, without limitation, those provisions relating to (a) approval of contracts or transactions in which a Director has a direct or indirect material financial interest, (b) approval of certain transactions between corporations having common directorships, (c) creation of and appointments to committees of the Board, and (d) indemnification of Directors. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of Directors, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

**4.21 WAIVER OF NOTICE.** 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.

**4.22 ADJOURNMENT.** A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time and place.

**4.23 NOTICE OF ADJOURNED MEETING.** Notice of the time and place of holding an adjourned meeting need not be given unless the original meeting is adjourned for more than twenty-four (24) hours. If the original meeting is adjourned for more than twenty-four (24) hours, notice of any adjournment to another time and place shall be given, before the time of the adjourned meeting, to the Directors who were not present at the time of the adjournment.

**4.24 ACTION WITHOUT A MEETING.** Any action that the Board is required or permitted to take may be taken without a meeting if all members of the Board consent in writing to the action; provided, however, that the consent of any Director who has a material financial interest in a transaction to which the Corporation is a party and who is an "interested Director" as defined in Section 5233 of the California Corporations Code shall not be required for approval of that transaction. Such action by written consent shall have the same force and effect as any other validly approved action of the Board. All such consents shall be filed with the minutes of the proceedings of the Board.

**4.25 COMPENSATION AND REIMBURSEMENT.** Directors may receive such compensation, if any, for their services as Directors or officers, and such reimbursement of expenses, as the Board may determine by resolution to be just and reasonable as to the Corporation at the time that the resolution is adopted.

**4.26 COMMITTEES.** The Board of Directors, by resolution adopted by a majority of the Directors then in office, provided a quorum is present, may create one or more committees each consisting of two or more Directors and no persons who are not Directors to serve at the pleasure of the Board. Appointments to committees of the Board shall be by majority vote of the Directors then in office. The Board may appoint one or more Directors as alternate members of any such committee, who may replace any absent member at any meeting. Any such committee, to the extent provided in the Board resolution, 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;
- (f) Expend corporate funds to support a nominee for Director if more people have been nominated for Director than can be elected; or
- (g) Approve any contract or transaction to which the Corporation is a party and in which one or more of its Directors has a material financial interest, except as special approval is provided for in Section 5233(d)(3) of the California Corporations Code.

**4.27 MEETINGS AND ACTIONS OF COMMITTEES.** Meetings and actions of committees of the Board shall be governed by, held, and taken in accordance with the provisions of these Bylaws concerning meetings and other Board actions, except that the time for regular meetings of such committees and the calling of special meetings of such committees may be determined either by Board resolution or, if there is none, by resolution of the committee of the Board. Minutes of each meeting of any committee of the Board shall be kept and shall be filed with the corporate records. The Board may adopt rules for the governance of any committee, provided they are consistent with these Bylaws or, in the absence of rules adopted by the Board, the committee may adopt such rules.

## **ARTICLE FIVE: OFFICERS**

**5.01 OFFICERS OF THE CORPORATION.** The officers of the Corporation shall be a President, a Secretary, and a Chief Financial Officer. The Corporation may also have, at the Board's discretion, a Chairman of the Board, one or more Vice-Presidents, one or more Assistant Secretaries, one or more Assistant Treasurers, and such other officers as may be appointed in accordance with Section 5.03 of these Bylaws. Any number of offices may be held by the same person, except that neither the Secretary nor the Chief Financial Officer may serve concurrently as either the President or the Chairman of the Board.

**5.02 ELECTION OF OFFICERS.** The officers of the Corporation, except those appointed under Section 5.03 of these Bylaws, shall be chosen annually by the Board of Directors and shall serve at the pleasure of the Board, subject to the rights, if any, of any officer under any contract of employment.

**5.03 OTHER OFFICERS.** The Board of Directors may appoint and may authorize the Chairman of the Board, the President, or other officer, to appoint any other officers that the Corporation may require. Each officer so appointed shall have the title, hold office for the period, have the authority, and perform the duties specified in the Bylaws or determined by the Board of Directors.

**5.04 REMOVAL OF OFFICERS.** Without prejudice to any rights of an officer under any contract of employment, any officer may be removed with or without cause by the Board of Directors and also, if the officer was not chosen by the Board of Directors, by any officer on whom the Board may confer that power of removal.

**5.05 RESIGNATION OF OFFICERS.** Any officer may resign at any time by giving written notice to the Corporation. 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. Any resignation shall be without prejudice to the rights, if any, of the Corporation under any contract to which the officer is a party.

**5.06 VACANCIES IN OFFICE.** A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed



in these Bylaws for regular appointments to that office, provided, however, that vacancies need not be filled on an annual basis.

**5.07 CHAIRMAN OF THE BOARD.** If a Chairman of the Board is elected, he or she shall preside at meetings of the Board of Directors and shall exercise and perform such other powers and duties as the Board may assign from time to time. If there is no President, the Chairman of the Board shall also be the Chief Executive Officer and shall have the powers and duties of the President of the Corporation prescribed by these Bylaws.

**5.08 PRESIDENT.** Subject to such supervisory powers as the Board of Directors may give to the Chairman of the Board, if any, and subject to the control of the Board, the President shall be the general manager and Chief Executive Officer of the Corporation and shall supervise, direct, and control the Corporation's activities, affairs, and officers. The President, in the absence of the Chairman of the Board, or if there is none, shall preside at all Board meetings. The President shall have such other powers and duties as the Board or the Bylaws may prescribe.

**5.09 VICE-PRESIDENTS.** If the President is absent or disabled, the Vice-Presidents, if any, in order of their rank as fixed by the Board, or, if not ranked, a Vice-President designated by the Board, shall perform all duties of the President. When so acting, a Vice-President shall have all powers of and be subject to all restrictions on the President. The Vice-Presidents shall have such other powers and perform such other duties as the Board or the Bylaws may prescribe.

**5.10 SECRETARY.**

(a) **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 of committees of the Board. The minutes of meetings shall include the time and place that the meeting was held, whether the meeting was annual, regular, or special, and, if special, how authorized, the notice given, and the names of those present at 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 Bylaws, as amended to date.

(b) **Notices, Seal, and Other Duties.** The Secretary shall give, or cause to be given, notice of all meetings of the Board and of committees of the Board required by these Bylaws to be given. The Secretary shall keep the corporate seal in safe custody and shall have such other powers and perform such other duties as the Board or the Bylaws may prescribe.

**5.11 CHIEF FINANCIAL OFFICER.**

(a) **Books of Account.** The Chief Financial Officer 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 Chief Financial Officer 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.

(b) **Deposit and Disbursement of Money and Valuables.** The Chief Financial Officer 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 of Directors may designate, shall disburse the Corporation's funds as the Board may order, shall render to the President, Chairman of the Board, if any, and the Board, when requested, an account of all transactions as Chief Financial Officer 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.

(c) **Bond.** If required by the Board, the Chief Financial Officer shall give the Corporation a bond in the amount and with the surety or sureties specified by the Board for faithful performance of the duties of the office and for restoration to the Corporation of all of its books, papers, vouchers, money, and other property of every kind in the possession or under the control of the Chief Financial Officer on his or her death, resignation, retirement, or removal from office.

## **ARTICLE SIX: CONTRACTS WITH DIRECTORS**

**6.01 CONTRACTS WITH DIRECTORS.** No Director of this Corporation nor any other corporation, firm, association, or other entity in which one or more of this Corporation's Directors are directors or have a material financial interest, shall be interested, directly or indirectly, in any contract or transaction with this Corporation unless (a) the material facts regarding that Director's financial interest in such contract or transaction or regarding such common directorship, officership, or financial interest are fully disclosed in good faith and noted in the minutes, or are known to all Directors prior to the Board's consideration of such contract or transaction; (b) such contract or transaction is authorized in good faith by a majority of the Board by a vote sufficient for that purpose without counting the votes of the interested Directors; (c) before authorizing or approving the transaction, the Board considers and in good faith decides after reasonable investigation that the Corporation could not obtain a more advantageous arrangement with reasonable effort under the circumstances; and (d) the Corporation for its own benefit enters into the transaction, which is fair and reasonable to the Corporation at the time the transaction is entered into. This Section does not apply to a transaction that is part of an educational or charitable program of this Corporation if it (a) is approved or authorized by the Corporation in good faith and without unjustified favoritism, and (b) results in a benefit to one or more Directors or their families because they are in the class of persons intended to be benefited by the educational or charitable program of this Corporation.

## **ARTICLE SEVEN: LOANS TO DIRECTORS AND OFFICERS**

**7.01 LOANS TO DIRECTORS AND OFFICERS.** This Corporation shall not lend any money or property to or guarantee the obligation of any Director or officer without the approval of the California Attorney General, provided, however, that the Corporation may advance money to a Director or officer of the Corporation for expenses reasonably anticipated to

be incurred in the performance of his or her duties if that Director or officer would be entitled to reimbursement for such expenses by the Corporation.

## **ARTICLE EIGHT: INDEMNIFICATION**

**8.01 RIGHT OF INDEMNITY.** To the fullest extent permitted by law, this Corporation shall indemnify its Directors, officers, employees, and other persons described in Section 5238(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 the Corporation, by reason of the fact that the person is or was a person described in that Section. "Expenses", as used in this Bylaw, shall have the same meaning as in Section 5238(a) of the California Corporations Code.

**8.02 APPROVAL OF INDEMNITY.** On written request to the Board by any person seeking indemnification under Section 5238(b) or Section 5238(c) of the California Corporations Code, the Board shall promptly determine under Section 5238(e) of the California Corporations Code whether the applicable standard of conduct set forth in Section 5238(b) or Section 5238(c) has been met and, if so, the Board shall authorize indemnification. If the Board cannot authorize indemnification because the number of 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 or the attorney or other person rendering services in connection with the defense shall apply to the court in which such proceeding is or was pending to determine whether the applicable standard of conduct set forth in Section 5238(b) or Section 5238(c) has been met.

**8.03 ADVANCEMENT OF EXPENSES.** To the fullest extent permitted by law and except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification under Sections 8.01 and 8.02 of these Bylaws in defending any proceeding covered by those Sections shall be advanced by the Corporation before final disposition of the proceeding, on receipt by the Corporation of an undertaking by or on behalf of that person that the advance will be repaid unless it is ultimately determined that the person is entitled to be indemnified by the Corporation for those expenses.

## **ARTICLE NINE: INSURANCE**

**9.01 INSURANCE.** The Corporation shall have the right to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, Directors, employees, and other agents, against any liability asserted against or incurred by any officer, Director, employee, or agent in such capacity or arising out of the officer's, Director's, employee's, or agent's status as such.

## **ARTICLE TEN: RECORDS AND REPORTS**

**10.01 MAINTENANCE OF CORPORATE RECORDS.** The Corporation shall keep:

- (a) Adequate and correct books and records of account; and
- (b) Written minutes of the proceedings of the Board and committees of the Board.

**10.02 INSPECTION BY DIRECTORS.** Every Director shall have the absolute right at any reasonable time to inspect the Corporation's books, records, documents of every kind, physical properties, and the records of each of its subsidiaries. The inspection may be made in person or by the Director's agent or attorney. The right of inspection includes the right to copy and make extracts of documents.

**10.03 ANNUAL REPORT.** The Board shall cause an annual report to be sent to the Directors within one hundred twenty (120) days after the end of the Corporation's fiscal year. That report shall contain the following information, in appropriate detail, for the fiscal year:

- (a) The assets and liabilities, including the trust funds, of the Corporation as of the end of the fiscal year.
- (b) The principal changes in assets and liabilities, including trust funds.
- (c) The revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes.
- (d) The expenses or disbursements of the Corporation for both general and restricted purposes.
- (e) Any information required by Section 10.04 of these Bylaws.

The annual report shall be accompanied by any report on it of independent accountants or, if there is no such report, by the certificate of an authorized officer of the Corporation that such statements were prepared without audit from the Corporation's books and records.

This requirement of an annual report shall not apply if the Corporation receives less than \$25,000 in gross receipts during the fiscal year, provided, however, that the information specified above for inclusion in an annual report must be furnished annually to all Directors who request it in writing. If the Board approves, the Corporation may send the report and any accompanying material sent pursuant to this section by electronic transmission.

**10.04 ANNUAL STATEMENT OF CERTAIN TRANSACTIONS AND INDEMNIFICATIONS.** As part of the annual report to all Directors, or as a separate document if no annual report is issued, the Corporation shall annually prepare and mail, deliver, or send by

electronic transmission to each Director a statement of any transaction or indemnification of the following kind within one hundred twenty (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" 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. For this purpose, an "interested person" is either of the following:

(1) Any Director or officer of the Corporation, its parent, or subsidiary (but mere common directorship shall not be considered such an interest); or

(2) Any holder of more than ten percent (10%) of the voting power of the Corporation, its parent, or its subsidiary. The statement shall include a brief description of the transaction, the names of interested persons involved, their relationship to the Corporation, the nature of their interest in the transaction and, if practicable, the amount of that interest, provided that if the transaction was with a partnership in which the interested person is a partner, only the interest of the partnership need be stated.

(b) Any indemnifications or advances aggregating more than \$10,000 paid during the fiscal year to any officer or Director of the Corporation under Sections 8.01 through 8.03 of these Bylaws.

## **ARTICLE ELEVEN: CONSTRUCTION AND DEFINITIONS**

**11.01 CONSTRUCTION AND DEFINITIONS.** Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California Nonprofit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of the preceding sentence, the masculine gender includes the feminine and neuter, the singular includes the plural, the plural includes the singular, and the term "person" includes both a legal entity and a natural person.

## **ARTICLE TWELVE: AMENDMENTS**

**12.01 ACTION BY THE BOARD.** The Bylaws may be amended or repealed and new Bylaws may be adopted by a majority vote of the Board.

**12.02 LIMITATIONS ON AMENDMENT OF BYLAWS.** Where any provision of these Bylaws requires the vote of a larger proportion of the Directors than otherwise is required by law, such provision may not be altered, amended, or repealed except by the vote of such greater number. No amendment may extend the term of a Director beyond that for which such Director was elected.



**12.03        MAINTENANCE OF RECORDS.** The Secretary of the Corporation shall see that a true and correct copy of all amendments of the Bylaws, duly certified by the Secretary, is attached to the official Bylaws of the Corporation and is maintained with the official records of the Corporation at the principal office of the Corporation.

## **CERTIFICATE OF SECRETARY**

I certify that I am the duly elected and acting Secretary of SRC LIVING LEGACY FOUNDATION, a California Nonprofit Public Benefit Corporation, that the above Bylaws, consisting of fifteen (15) pages, including this page, are the Bylaws of this Corporation as adopted by the Board of Directors on September 30, 2019, and that they have not been amended or modified since that date.

Executed as of September 30, 2019, at Saratoga, California.

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KATHLEEN ROBERTS, Secretary