

**Bylaws  
of  
Rotary International District 5160**

A California nonprofit public benefit corporation

**ARTICLE I**

**Purpose, Organization and Operation**

1.1 Organization. The corporation (“Corporation”) is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the California Nonprofit Public Benefit Corporation Law for exclusively public and charitable purposes.

1.2 Operation exclusively for Charitable Purposes. The Corporation shall be operated exclusively for charitable purposes and shall not carry on any activities not permitted to be carried on by organizations exempt from income taxes under Section 501 (c) (3) of the Internal Revenue Code of 1986, and Section 23701 (d) of the California Revenue and Taxation Code, or their successors. Notwithstanding any other provisions of these Bylaws, the Corporation shall not engage in any activities or exercise any powers that are not in furtherance of the exclusively public and charitable purposes of the Corporation. No substantial part of the activities of the Corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, nor shall the Corporation engage in any political campaign (including the publication or distribution of statements) on behalf of any candidate for public office.

1.3 Solicitation and Acceptance of Donations. Subject to such restrictions as may be prescribed by law, these Bylaws or by the Board of Directors of the Corporation, the Board of Directors shall, on such terms and conditions as it deems advisable, solicit and accept donations, gifts, devises or bequests of property or of the income therefrom, whether in fee or in trust, for the general uses and objectives of the Corporation, or as the case may be, for such specific uses and applications as may be prescribed by the donor or testator, provided such uses and applications are consistent with the purposes of the Corporation and on terms and conditions acceptable to the Directors. All such gifts upon receipt by the Directors shall constitute and become part of the Corporation Fund (hereinafter referred to as the “Fund”). No part of the Fund income or corpus shall be used or applied except for Corporation purposes.

1.4 Principal Office. The Corporation’s principal office shall be the same as the office of District 5160, or such other place as the Directors shall determine from time to time.

## ARTICLE II

### Members

2.1 Members. All Rotary clubs in the district shall be members of the Corporation. Each club shall have one vote, which shall be exercised in the manner Rotary clubs in the District elect their officers from time to time.

## ARTICLE III

### Directors

3.1 Function of the Directors. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors.

3.2 Qualifications and Number. There shall be six Directors. Directors must be members in good standing of a Rotary club in the District. The number of Directors may be increased or decreased by action of the Directors.

3.3 Appointment of Directors. Members of the Board of Directors shall be the those persons who, from time to time hold the office of District Governor of the District, Chairperson of the Finance Committee of the District, the two immediate past District Governors of the District, the District Governor Elect, and the District Governor Nominee. Except as the California Nonprofit Corporation Law may otherwise require, the filling of any vacancy or vacancies in the Board of Directors, including unfilled vacancies resulting from the removal of Directors for cause or without cause, may be filled by the vote of a majority of the remaining Directors then in office, although less than a quorum, or by the sole remaining Director.

3.4 Meetings. Meetings shall be held at such time as the Board shall fix, except that the first meeting of a newly elected Board shall be held as soon after its election as the Directors may conveniently assemble. Meetings shall be held at such place within or without the State of California as shall be fixed by the Board. No call shall be required for regular meetings for which the time and place have been fixed. Special meetings may be called by or at the direction of the Chairman of the Board, if any, of the Vice Chairman of the Board, if any, of the President, or of a majority of the Directors in office.

3.5 Notice of Meetings. No notice shall be required for regular meetings for which the time and place have been fixed. Written, oral, or any other reasonable mode of notice of the time and place shall be given for special meetings in sufficient time for the convenient assembly of the Directors. Notice need not be given to any Director or to any member of a committee of Directors who submits a written waiver of notice signed by him before or after the time stated therein. Attendance of any such person at a meeting shall constitute a waiver of notice of such meeting, except when he attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of

any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Directors need be specified in any written waiver of notice.

3.6 Quorum. A majority of the whole Board shall constitute a quorum except when a vacancy or vacancies prevents such majority, whereupon a majority of the Directors in office shall constitute a quorum, provided, that such majority shall constitute at least one-third of the whole Board. A majority of the Directors present, whether or not a quorum is present, may adjourn a meeting to another time and place. Except as herein otherwise provided, and except as otherwise provided by the California Nonprofit Corporation Law, the vote of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board. The quorum and voting provisions herein stated shall not be construed as conflicting with any provisions of the California Nonprofit Corporation Law and these bylaws which govern a meeting of Directors held to fill vacancies and newly created Directorships in the Board or action of disinterested Directors.

3.7 Conference Call. Any member or members of the Board of Directors or of any committee designated by the Board, may participate in a meeting of the Board, or any such committee, as the case may be, by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other.

3.8 Chairman of the Meeting. The Chairman of the Board, if any and if present and acting, shall preside at all meetings. Otherwise, the Vice Chairman of the Board, if any and if present and acting, or the President, if present and acting, or any other Director chosen by the Board, shall preside.

3.9 Removal of Directors. Except as may otherwise be provided by the California Nonprofit Corporation Law, any Director or the entire Board of Directors may be removed, with or without cause, by a majority of the Members then entitled to vote at an election of Directors.

3.10 Committees. The Board may, from time to time, by resolution passed by a majority of the whole Board, designate one or more committees, each committee to consist of one or more of the Directors of the Corporation. The Board may designate one or more Directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of any member of any such committee or committees, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board, shall have and may exercise the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation as set forth in such resolution, with the exception

of any authority the delegation of which is prohibited by the California Nonprofit Corporation Law.

3.11 Written Action of the Board. Any action required or permitted to be taken at any meeting of the Board of Directors or any committee thereof may be taken without a meeting if all members of the Board or committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board or committee.

3.12 Compensation and Bond. Directors shall serve without compensation, but shall be reimbursed for expenses reasonably incurred on behalf of the Corporation. No bond shall be required of any Director.

## **ARTICLE IV**

### **Officers**

4.1 The officers of the Corporation shall consist of such officers who are active members of a Rotaray club in the District, as may be appointed by the Board of Directors from time to time, including but not limited to a President, who shall be the current District Governor, a Secretary, a Treasurer, and, if deemed necessary, expedient, or desirable by the Board of Directors, one or more Vice Presidents, one or more Assistant Secretaries, one or more Assistant Treasurers, and such other officers with such titles as the resolution of the Board of Directors choosing them shall designate. Except as may be otherwise ~~provided~~ in the resolution of the Board of Directors choosing him or her, no officer other than the President need be a Director. Any number of offices may be held by the same person, as the Directors may determine, and any officer appointed shall serve at the pleasure of the Board.

4.2 All officers of the Corporation shall have such authority and perform such duties in the management and operation of the Corporation as shall be prescribed in the resolutions of the Board of Directors designating and choosing such officers and prescribing their authority and duties, and shall have such additional authority and duties as are incident to their office except to the extent that such resolutions may be inconsistent therewith.

4.3 The Secretary or an Assistant Secretary of the Corporation shall record all of the proceedings of all meetings and actions in writing of Members, Directors, and committees of Directors, and shall exercise such additional authority and perform such additional duties as the Board shall assign from time to time. Any officer may be removed, with or without cause, by the Board of Directors. Any vacancy in any office may be filled by the Board of Directors.

## ARTICLE V

### Indemnification

5.1 Definitions. For purposes of this Article V, “agent” means any person who is or was a Member, Director, officer, employee, contractor or authorized representative of the Corporation, or is or was serving at the request of the Corporation as an officer, director, Director, employee, contractor or authorized representative of another firm, organization or entity at the request of the Corporation; “proceeding” means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative or investigative; and “expense” includes without limitation attorneys’ fees and any expenses of establishing a right to indemnification under this Article and these Bylaws.

5.2 Indemnification of Agents. The Corporation shall indemnify, hold harmless and defend, to the fullest extent permissible under California law, all agents of the Corporation against all cost, judgments, liability and expense, arising out of or resulting from any proceedings based on actions taken by them or at their direction, in good faith and with reasonable belief that such actions were in the best interests of the Corporation, and within the course and scope of their authorized duties and or responsibilities. Any indemnification under this section shall be made by the Corporation only if authorized in the specific case, upon a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in this section 5.2 by any of the following: (1) A majority vote of a quorum consisting of Directors who are not parties to such proceeding. (2) If such a quorum of Directors is not obtainable, by independent legal counsel in a written opinion.

5.3 Successors and Assigns. The rights to indemnity hereunder shall continue as to a person who has ceased to be a director, officer, employee, or agent and shall inure to the benefit of the heirs, executors, and administrators of the person. Nothing contained in this section shall affect any right to indemnification to which persons other than the directors and officers may be entitled by contract or otherwise.

5.4 Indemnification Agreements. The Corporation shall have power to enter into written indemnity agreements with agents of the Corporation which may be more or less restrictive than the provisions of this Article V, provided such agreements are not in violation of any provisions of the California Nonprofit Public Benefit Law, and do not jeopardize the Corporation’s tax exempt status.

5.5 Insurance. The Corporation may purchase and maintain insurance on behalf of any agent of the Corporation against any liability asserted against or incurred by the agent in that 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 that liability.

## ARTICLE VI

### Records and Reports

6.1 Corporate Seal. The corporate seal shall be in such form, as the Board of Directors shall prescribe, if any.

6.2 Fiscal Year. The fiscal year of the Corporation shall be fixed initially as the calendar year, and shall be subject to change by the Board of Directors. Effective September 30, 2009 the Board of Directors established the Fiscal Year a July 1 thru June 30.

6.3 Corporation Records and Reports. All records of the Corporation, including but not limited to corporate records, minutes of the meetings of the Directors, and the financial records of the Corporation shall be maintained at the Corporation's principal office, or such other place as may be authorized by the Directors from time to time.

(a) Minutes of Meetings and Financial Records: The minutes of Directors meetings and the financial records of the Corporation shall be open to inspection by the Directors, any officer of the corporation, and any persons authorized by the Directors.

(b) Complete and Accurate Records: The Directors shall cause complete and accurate records of the financial transactions of the Corporation to be kept and maintained in accordance with generally accepted accounting practices.

(c) Annual Written Reports: A written annual report, including a description of the Corporation's activities in general, all material receipts and disbursements for the fiscal year, and at a minimum an income statement and balance sheet, shall be delivered to the Board of Directors within 120 days after the end of the Corporation's fiscal year.

(d) Records Retention: Copies of all corporate records and reports shall be maintained at the Corporation's principal office for such periods as may be required by applicable law, but not less than 10 years.

6.4 Amendment of Bylaws. Subject to the provisions of the certificate of incorporation and the provisions of the California Nonprofit Corporation Law, the power to amend, alter, or repeal these By-laws and to adopt new bylaws may be exercised by a majority vote of the Directors.