

**BYLAWS**

Final Draft of 3/2/09

**OF**

**EL CAJON VALLEY LIONS FOUNDATION, INC.**

ARTICLE I: OFFICES

Section 1. **Principal Office**

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

Section 2. **Change of Address**

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

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

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

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

Section 3. **Other Offices**

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

ARTICLE II: MEMBERSHIP

Section 1. **Membership**

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

## ARTICLE III: NONPROFIT PURPOSES

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

Said corporation is organized exclusively for charitable purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code. No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article Third hereof.

### **Section 2. Specific Objectives and Purposes**

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

### **Section 3: Conflicts of Interest.**

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

#### ARTICLE IV: TRUSTEES

##### Section 1: Number

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

##### Section 2: Section and Term

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

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

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

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

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

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

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

It shall be the power and duty of Trustees to:

- (a) Perform any and all duties imposed on them collectively or individually by law, the Articles of Incorporation, or by these Bylaws.
- (b) Appoint and remove, employ and discharge and, except as otherwise provided in these Bylaws, prescribe the duties and fix the compensation, if any, of all officers, agents and employees of the Corporation.
- (c) Supervise all officers, agents and employees of the Corporation to assure that their duties are performed properly.
- (d) Meet at such times and places as required by these Bylaws.
- (e) Register their addresses with the Secretary of the Corporation, and notices of meetings shall either be mailed, transmitted via FAX, e-mail, or telegraphed to them at such addresses shall be valid notices thereof.
- (f) To buy, sell, hold, invest and reinvest any and all monies and properties received and acquired by the Corporation, and to exercise any and all rights of ownership to the benefit of the Corporation.
- (g) To expend, in compliance with these Bylaws and applicable state and federal law, such portion of income and/or corpus as the Board in its discretion determines is appropriate to fulfill the purposes of the Corporation.
- (h) To apportion any losses to principal or income as it deems best.

### Section 4: **Compensation**

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

### Section 5: **Restriction Regarding Interested Trustees**

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

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

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

Section 6: **Place of Meetings**

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

Section 7: **Regular Meetings**

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

Section 8: **Annual Meeting**

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

Section 9: **Special Meetings**

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

Section 10: **Notice of Meetings**

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

Section 11: **Contents of Notice**

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

**Section 12: Waiver of Notice and Consent to Holding Meeting**

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

**Section 13: Quorum for Meetings**

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

**Section 14: Majority Action as Board Action**

Every act or decision done or made by a majority of the Trustees present at a meeting duly held at which a quorum is present is the act of the Board of Trustees, unless the Articles of Incorporation, these Bylaws, or provisions of law require a greater percentage or different voting rules for approval of a matter by the Board.

**Section 15: Conduct of Meeting**

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

Corporation shall act as a secretary at all meetings of the Board, provided that, in his or her absence, the presiding officer shall appoint another person to act as Secretary of the Meeting.

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

**Section 16: Vacancies**

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

Any director may resign effective upon giving written notice to the President, the Secretary, or Board of Trustees, unless the notice specifies a later time for the effectiveness of such resignation. No director may resign if the Corporation would then be left without a duly elected director or Trustees in charge of its affairs.

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

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

**Section 17: Nonliability of Trustees**

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

**Section 18: Indemnification by Corporation of Trustees and Officers**

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

**Section 19: Insurance for Corporate Agents**

Except as may be otherwise provided under provisions of law, the Board of Trustees may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the Corporation (including a director, officer, employee, or other agent of the Corporation) against liabilities asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the Corporation would have the power to indemnify the agent against such

liability under the Articles of Incorporation, the Bylaws or provisions of law.

## ARTICLE V: OFFICERS

### Section 1. **Designation of Officers**

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

### Section 2. **Qualifications**

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

### Section 3. **Election and Term of Office**

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

### Section 4. **Removal and Resignation**

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

### Section 5. **Vacancies**

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

### Section 6. **Duties of President**

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



be required by law, by the Articles of Incorporation, by these Bylaws, or which may be prescribed from time to time by the Board of Trustees. The President shall preside at all meetings of the Board of Trustees and at all meetings of the members. Except as otherwise expressly provided by law, by Articles of Incorporation, or by the Bylaws, he or she shall, in the name of the Corporation, execute such deeds, mortgages, bonds, contracts, checks, or other instruments which may from time to time be authorized by the Board of Trustees.

**Section 7. Duties of Vice President**

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

**Section 8. Duties of Secretary**

Certify and keep at the principal office of the Corporation the original, or a copy, of these Bylaws as amended or otherwise altered to date.

Keep at the principal office of the Corporation or at such other place as the Board may determine, a book of minutes of all meetings of the Trustees, and, if applicable, meetings of committees of Trustees and of members, recording therein the time and place of holding, whether regular or special, how called, how notice thereof was given, the names of those present or represented at the meeting, and the proceeding thereof.

See that all notices are duly given in accordance with the provisions of these Bylaws or as required by law.

Be custodian of the records and of the seal of the Corporation and affix the seal, as authorized by law or the provisions of these Bylaws, to duly executed documents of the Corporation.

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

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

In general, perform all duties incident to the office of Secretary and such other duties as may be required by law, by the Articles of Incorporation, or by these Bylaws, or which may be assigned to

him or her from time to time by the Board of Trustees.

**Section 9. Duties of Treasurer**

Charged with custody of, and be responsible for, all funds and securities of the Corporation, and deposit all such funds in the name of the Corporation in such banks, trust companies, or other depositories as shall be selected by the Board of Trustees.

Receive, and give receipt for, moneys due and payable to the Corporation from any source whatsoever.

Disburse, or cause to be disbursed, the funds of the Corporation as may be directed by the Board of Trustees, taking proper vouchers for such disbursements.

Keep and maintain adequate and correct accounts of the Corporation's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains and losses.

Exhibit at all reasonable times the books of account and financial records to any director of the Corporation, or to his or her agent or attorney, on request.

Render to the President and Trustees, whenever requested, an account of any or all of his or her transactions as Treasurer and of the financial condition of the Corporation.

Prepare, or cause to be prepared, and certify, or cause to be certified, the financial statements to be included in any required reports.

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

**Section 10. Compensation**

The officers shall serve without compensation except that reasonable expense reimbursements, relating to operation of the Corporation, may be authorized by the Board of Trustees.

**ARTICLE VI: COMMITTEES**

**Section 1. Executive Committee**

The Board of Trustees may, by a majority vote of its members, designate an Executive Committee consisting of five board members and may delegate to such committee the powers and authority of

the Board in the management of the business and affairs of the Corporation, to the extent permitted, and except as may otherwise be provided, by provisions of law.

By a majority vote of its members, the Board may at any time revoke or modify any or all of the Executive Committee authority so delegated, increase or decrease but not below three (3) the number of the members of the Executive Committee, and fill vacancies on the Executive Committee from members of the Board. The Executive Committee shall keep regular minutes of its proceedings, cause them to be filed with corporate records, and report the same to the Board from time to time as the Board may require.

## Section 2. **Board Committees**

(a) The Board may have such committees, standing or temporary, as deemed desirable and necessary in the best interest of the Corporation and to facilitate the activities of the Board.

(b) Committees shall be composed of Trustees and chaired as appointed by the President of the Board with the advice and consent of the Board.

(c) Committees shall serve at the will of the Board. No committees or members thereof shall take any action except as expressly approved by the Board.

## Section 3. **Action of Committees**

The Board of Trustees may adopt rules and regulations pertaining to the conduct of meetings of committees to the extent that such rules and regulations are not inconsistent with the provisions of these Bylaws.

# **ARTICLE VII: EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS**

## Section 1. **Execution of Instruments**

The Board of Trustees, except as otherwise provided in these Bylaws, may, by resolution, authorize any officer or agent of the Corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances. Unless so authorized, no officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

## Section 2. **Checks and Notes**

Except as otherwise specifically determined by resolution of the board, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of the corporation shall be signed by any two (2) of the Secretary, Treasurer, President,

and Vice-President . Checks must be completely written out prior to being signed. Checks made payable to a member cannot be signed by that member.

### Section 3. **Deposits**

All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board of Trustees may select.

### Section 4. **Gifts**

(a) The Board may accept on behalf of the Corporation any contribution, gift, grant, devise, or bequest for the charitable or public purposes of this Corporation. The Board reserves the right to refuse any gift, contribution, grant, devise, or bequest.

(b) Unless otherwise expressly specified in writing by the donor, all contributions, gifts, grants, proceeds from fund raising activities, devise or bequests shall be unsegregated and shall be administered as part of the general corpus of the fund.

(c) In the event a donor makes a written expression of a specific or restricted purpose or use of a gift, contribution, grant, devise or bequest, and such gift, contribution, grant, devise or bequest is accepted by the Board, said funds or properties and the proceeds thereof shall be segregated and applied to such purpose and use only.

## **ARTICLE VIII: CORPORATE RECORDS, REPORTS AND SEAL**

### Section 1. **Maintenance of Corporate Records**

The Corporation shall keep at its principal office:

- (a) Minutes of all meetings of Trustees, committees of the Board and, if this Corporation has members, of all meetings of members, indicate the time and place of holding such meetings, whether regular or special, how called, the notice given, and the names of those present and the proceedings thereof;
- (b) Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains, and losses;
- (c) A record of its members, indicating their names and addresses and the termination date of any membership;
- (d) A copy of the Corporation's Articles of Incorporation and Bylaws as amended to date, which shall be open to inspection by the member of the Corporation at all reasonable times during office hours.

### Section 2. **Corporate Seal**

The seal of the Corporation shall be the Lions Emblem, as authorized by Lions Clubs International, with the names of the Corporation inscribed beneath. Failure to affix the seal on Corporate instruments, however, shall not affect the validity of any such instrument.

### Section 3. **Trustees' Inspection Rights**

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

### Section 4. **Members' Inspection Rights**

Each and every member shall have the following inspection rights, for a purpose reasonably related to such person's interest as a member.

- (a) To inspect and copy the record of all members' names, addresses and voting rights, at reasonable times, upon written demand on the Secretary of the Corporation, which demand shall state the purpose for which the inspection rights are requested.
- (b) To obtain from the Secretary of the Corporation, upon written demand on, and payment of a reasonable charge to, the Secretary of the Corporation, a list of the names, addresses and voting rights of those members entitled to vote for the election of Trustees as of the most recent record date for which the list has been compiled or as of the date specified by the member subsequent to the date of demand. The demand shall state the purpose for which the list is requested. The membership list shall be made within a reasonable time after the demand is received by the Secretary of the Corporation or after the date specified therein as of which the list is to be compiled.
- (c) To inspect at any reasonable time the books, records, or minutes of proceedings of the members or of the Board or committees of the Board, upon written demand on the Secretary of the Corporation by the member, for a purpose reasonably related to such person's interests as a member.
- (d) To make any inspection as provided under the provisions of this Article. This shall include the right to appoint an attorney or an agent for purposes of inspection. The right to make inspections shall include the right to copy and/or make abstracts of documents.

### Section 5. **Right to Copy and Make Extracts**

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

Section 6. **Periodic Report**

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

**IX: IRC 501 (C)(3) TAX EXEMPTION PROVISIONS**

Section 1. **Limitations on Activities**

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

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

Section 2. **Prohibition Against Private Inurement**

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

**ARTICLE X: FISCAL YEARS**

The fiscal year of the Corporation shall begin on July 1<sup>st</sup> and end on June 30<sup>th</sup> in each year.

**ARTICLE XI: AMENDMENT OF BYLAWS**

The Bylaws may be amended by two-thirds (2/3) vote of the entire Board of Trustees. A fifteen (15) day notice must be given to all Trustees of any proposed amendment to the Bylaws.

**ARTICLE XII: DISSOLUTION**

Any and all assets of the Corporation are dedicated to purposes as defined in Article II of these Bylaws. Upon liquidation, dissolution or abandonment, and after providing for debts and obligations, any and all remaining assets shall not inure to the benefit of any person, but shall be

distributed to a non-profit organizations whose goals and objectives are similar to those of the Corporation.

### ARTICLE XIII: CONSTRUCTION AND TERMS

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

Should any of the provisions or portions of these Bylaws be held unenforceable or invalid for any reason, the remaining provisions and portions of these Bylaws shall be unaffected by such holding.

All references in these Bylaws to the Articles of Incorporation shall be to the Articles of Incorporation filed with an officer of this state and used to establish the legal existence of this Corporation.

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

### ADOPTION OF BYLAWS

We, the undersigned, are the Trustees of this Corporation, and we consent to and hereby do, adopt the foregoing Bylaws consisting of fifteen pages, as the Bylaws of this Corporation. I hereby certify that I am the duly elected Secretary of said Corporation and that the foregoing Bylaws were duly approved by a two-thirds (2/3) vote of the membership of the EL CAJON VALLEY LIONS CLUB, and adopted at a meeting of the Board of Trustees held on this date.

Dated: 3/2/09

\_\_\_\_\_  
Secretary,  
EL CAJON VALLEY LIONS FOUNDATION, INC.