

Amended and Restated Bylaws of
Sustainable Korean Culture Institute, Inc.
A California Nonprofit Public Benefit Corporation

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DEFINED TERMS USED IN THIS DOCUMENT

- “annual meeting” – Section 7.5
- “Articles of Incorporation” – Section 7.2
- “Attorney General” – Section 7.4.4
- “Board” – Section 7.2
- “California Nonprofit Corporation Law” – Section 3.1
- “Chairperson” – Section 9.6.1
- “Code” –Section 4.2
- “Committees” – Section 8.1
- “Corporation” – Section 1.1
- “Directors” – Section 7.1.1
- “e-mail” – Section 7.7.1
- “Officers” – Section 9.1
- “Executive Director” – Section 9.6.2
- “Secretary” – Section 9.6.3
- “Treasurer” – Section 9.6.4

ARTICLE 1 NAME

Section 1.1 Corporate Name

The name of this corporation is **Sustainable Korean Culture Institute, Inc.** (the “Institute” or “SKCI”).

ARTICLE 2 OFFICES

Section 2.1 Principal Office

The principal office for the transaction of the business of the Institute may be established at any place or places within the State of California by resolution of the Board.

Section 2.2 Other Offices

The Board may at any time establish branch or subordinate offices at any place or places where the Institute is qualified to transact business.

ARTICLE 3 PURPOSES

Section 3.1 General Purpose

The Institute is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Corporation Law of California (“California Nonprofit Corporation Law”) for public and charitable purposes. Its objectives shall be to restore, study and promote Korean culture to contribute in order to the establishment of a local community with sustainable culture founded on an inclusive, safe and resilient human settlement; healthy lives and well-being for all at all ages; sustained, inclusive, productive and decent work for all; and a peaceful and inclusive society providing access to justice for all. (Based on “Transforming our world: the 2030 Agenda for Sustainable Development” adopted by the UN General Assembly on 25 September 2015).

Section 3.2 Specific Purpose

The specific purposes of the Institute are to:

- (a) advance knowledge of sustainable culture by conducting as well as participating in digital preservation, scientific research or translation projects on any aspects of Korean sustainable culture.
- (b) prepare, publish, sell and distribute books, DVDs, pamphlets, newsletters and any other kind of documentation deemed appropriate to communicate scientific information, and to organize exhibitions or any other forms of diffusion of knowledge regarding Korean sustainable culture, including workshops, seminars, conferences and cultural touring programs.
- (c) promote public awareness of sustainable ways of living—an inclusive, safe and resilient human settlement—by means of the construction of the Institute’s buildings modeled after traditional Korean architecture—Hanok.
- (d) serve as an advocate for a peaceful and inclusive society by providing scholarships or grants for young students (undergraduate students, MA students, PhD candidates, or post-graduate PhDs), particularly, but not exclusively, who have limited access to resources, be they locally, nationally, or internationally.
- (e) establish and maintain a sustained, inclusive, productive and decent working environment by providing working opportunities for the differently abled, including, but not limited to those with autism and developmental delays.

- (f) promote public awareness of Korean culture and history which have sustained in local Korean communities by operating a museum within the compounds of the Institute.
- (g) solicit and collect funds from any kind of organization, corporation, institution, and individuals, locally, nationally or internationally, and receive donations and legacies in furtherance of the purposes of the institute.

ARTICLE 4 LIMITATIONS

Section 4.1 Political Activities

The Institute has been formed under California Nonprofit Corporation Law for the public and charitable purposes described in Article 3, and it shall be nonprofit and nonpartisan. 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 in or intervene in any political campaign (including the publishing or distribution of statements) on behalf of, or in opposition to, any candidate for public office.

Section 4.2 Prohibited Activities

The Institute shall not, except in any insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes described in Article 3. The Institute may not carry on any activity for the profit of its Officers, Directors or other persons or distribute any gains, profits or dividends to its Officers, Directors or other persons as such. Furthermore, nothing in Article 3 shall be construed as allowing the Institute to engage in any activity 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 of 1986, as amended (the “Code”) or (ii) by a corporation, contributions to which are deductible under section 170(c)(2) of the Code.

ARTICLE 5 DEDICATION OF ASSETS

Section 5.1 Property Dedicated to Nonprofit Purposes

The property of this corporation is irrevocably dedicated to public and charitable purposes. No part of the net income or assets of this corporation shall ever inure to the benefit of any director or officer, or to the benefit of any private person, except that the Institute is 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 3 hereof.

Section 5.2 Distribution of Assets Upon Dissolution

Upon the dissolution or winding up of this corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed to a nonprofit fund, foundation, or corporation which is organized and operated exclusively for charitable purposes and which has established its tax exempt status under Section 501(c)(3) of the Code.

ARTICLE 6 MEMBERSHIPS

Section 6.1 Members

The Institute shall have no members within the meaning of section 5056 of the California Nonprofit Corporation Law.

Section 6.2 Non-Voting Members

Non-voting members are classified as associate, honorary and institutional members. Such members are not “members” of the Institute as defined in section 5056 of the California Nonprofit Corporation Law.

- (a) Associate members
Any person who shall have shown an interest in the purposes for which the Institute is organized, and its nonprofit policy shall be eligible for election as an Associate Member.
- (b) Honorary members
The Board may from time to time in its absolute discretion confer Honorary Membership upon persons whose distinguished contributions and commitment to the Institute warrant such designation. Honorary members shall not be required to pay any fees, dues or assessments.
- (c) Institutional members
Any corporate body, organization, or association of any kind (such as universities, research centers, libraries, scholarly societies) which shall have shown an interest in, and a commitment to the purposes for which the Institute is established and to its nonprofit policy shall be eligible for election as an Institutional Member.
- (d) Application for each membership shall be made in writing on a form to be approved by the Board and supplied by the Institute. Membership in each category is granted upon review of the application by the Executive Director and receipt of the applicable fee. A non-voting member shall have the right to attend meetings, participate in discussions, and serve on committees in a non-voting capacity.

ARTICLE 7 DIRECTORS

Section 7.1 Number and Qualifications

7.1.1 Number

The authorized number of directors of the Institute (“Directors”) shall be not less than three [3] or more than fifteen [15]; the exact authorized number to be fixed, within these limits, by resolution of the Board.

7.1.2 Qualifications

A director shall not:

- (a) engage in any activity that is directly contrary to the interests of the Institute;
- (b) engage in the misrepresentation of the Institute and its policies to outside third parties, either willfully, or on a repeated basis; or
- (c) violate any other qualification or requirement for board service that has been adopted by resolution of the Board of Directors prior to the commencement of that director’s term of office, if that director was notified of such qualification or requirement at the commencement of his or her term of office.

7.1.3 Ex Officio Directors

One of the authorized director positions shall be filled ex officio by the Executive Director, who shall be entitled to vote on all matters except those related to his or her employment status and compensation. The remaining directors shall be elected pursuant to the procedures set forth in Section 7.3.

Section 7.2 Corporate Powers Exercised by Board

- (a) Subject to the provisions of the Articles of Incorporation of the Corporation (the “Articles of Incorporation”), California Nonprofit Corporation Law and any other applicable laws, the business and affairs of the Institute shall be managed, and all corporate powers shall be

exercised, by or under the direction of the board of Directors (the “Board”). The Board may delegate the management of the activities of the Institute to any person or persons, management company or committee however composed, provided that the activities and affairs of the Institute shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board.

- (b) Without prejudice to the general powers set forth in subsection (a) above, but subject to the same limitations, Directors shall have the right to do the following:
- (1) Fiscal Year: Establish and change the fiscal year of the Institute.
 - (2) Property: Acquire, construct and possess real, personal, and intellectual property.
 - (3) Contracts: Enter into contracts and agreements with individuals and with public and private entities for the advancement of the purposes for which the Institute is organized.
 - (4) Start-up costs: Authorize the re-payment of the start-up costs for this organization to the individual(s) that provided such funds, including but not limited to attorney’s and accountant’s fees and costs, and filing fees for incorporation and for obtaining federal and state tax exempt status for the Institute.

Section 7.3 Terms; Election of Successors

Directors shall be elected at each annual meeting of the Board for three year terms. Each Director, including a Director elected to fill a vacancy, shall hold office until the expiration of the term for which he or she was elected and until the election and qualification of a successor, or until that Director’s earlier resignation or removal in accordance with these Bylaws and California Nonprofit Corporation Law. By resolution, the Board may arrange for terms to be staggered.

Section 7.4 Vacancies

7.4.1 Events Causing Vacancy

A vacancy or vacancies on the Board shall be deemed to exist on the occurrence of the following: (i) the death, resignation, or removal of any Director; (ii) whenever the number of authorized Directors is increased; or (iii) the failure of the Board, at any meeting at which any Director or Directors are to be elected, to elect the full authorized number of Directors.

7.4.2 Removal

The Board may by resolution declare vacant the office of a Director who has been declared of unsound mind by an order of court, or convicted of a felony, or found by final order or judgment of any court to have breached a duty under California Nonprofit Corporation Law.

The Board may, by a majority vote of the Directors who meet all of the required qualifications to be a Director set forth in Section 7.1.2, declare vacant the office of any Director who fails or ceases to meet any required qualification that was in effect at the beginning of that Director’s current term of office.

Directors may be removed without cause by a majority of Directors then in office.

7.4.3 No Removal 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 unless the reduction also provides for the removal of that specified Director in accordance with these Bylaws and California Nonprofit Corporation Law.

7.4.4 Resignations

Except as provided in this Section 7.4.4, any Director may resign by giving written notice to the Chairperson, the Secretary, or the Board. Such a written resignation will be effective on the later of (i) the date it is delivered or (ii) the time specified in the written notice that the resignation is to become effective. No Director may resign if the Institute would then be left without a duly elected Director or Directors in charge of its affairs, except upon notice to the California Attorney General (the "Attorney General").

7.4.5 Election to Fill Vacancies

If there is a vacancy on the Board, including a vacancy created by the removal of a Director, the Board may fill such vacancy by electing an additional director as soon as practicable after the vacancy occurs. If the number of Directors then in office is less than a quorum, additional directors may be elected to fill such vacancies by (i) the unanimous written consent of the Directors then in office, (ii) the affirmative vote of a majority of the Directors in office at a meeting held according to notice or waivers complying with section 5211 of the California Nonprofit Corporation Law, or (iii) a sole remaining Director.

Section 7.5 Regular Meetings

Each year, the Board shall hold at least one meeting, at a time and place fixed by the Board, for the purposes of election of Directors, appointment of Officers, review and approval of the corporate budget and transaction of other business. This meeting is sometimes referred to in these Bylaws as the "annual meeting." Other regular meetings of the Board may be held at such time and place as the Board may fix from time to time by resolution.

Section 7.6 Special Meetings

Special meetings of the Board for any purpose may be called at any time by the Chairperson, or the Executive Director, or the Secretary, or any two Directors.

Section 7.7 Notice of Meetings

7.7.1 Manner of Giving

Except when the time and place of a regular meeting is set by the Board by resolution in advance (as permitted by Section 7.5), notice of the time and place of all regular and special meetings shall be given to each Director by one of the following methods:

- (a) Personal delivery of oral or written notice;
- (b) First-class mail, postage paid;
- (c) Telephone, including a voice messaging system or other system or technology designed to record and communicate messages; or
- (d) Facsimile, electronic mail ("e-mail") or other means of electronic transmission if the recipient has consented to accept notices in this manner.

All such notices shall be given or sent to the Director's address, phone number, facsimile number or e-mail address as shown on the records of the Institute. Any oral notice given personally or by telephone may be communicated directly to the Director or to a person who would reasonably be expected to promptly communicate such notice to the Director. Notice of regular meetings may be given in the form of a calendar or schedule that sets forth the date, time and place of more than one regular meeting.

7.7.2 Time Requirements

Notices sent by first-class mail shall be deposited into a United States mail box at least four days before the time set for the meeting. Notices given by personal delivery, telephone, voice messaging system or other system or technology designed to record and communicate messages,

facsimile, e-mail or other electronic transmission shall be delivered at least 48 hours before the time set for the meeting.

7.7.3 Notice Contents

The notice shall state the time and place for the meeting, except that if the meeting is scheduled to be held at the principal office of the Institute, the notice shall be valid even if no place is specified. The notice need not specify the purpose of the meeting unless required to elsewhere in these Bylaws.

Section 7.8 Place of Board Meetings

Regular and special meetings of the Board may be held at any place within or outside the state that has been designated in the notice of the meeting, or, if not stated in the notice or, if there is no notice, designated by resolution of the Board. If the place of a regular or special meeting is not designated in the notice or fixed by a resolution of the Board, it shall be held at the principal office of the Institute.

7.8.1 Meetings by Telephone or Similar Communication Equipment

Any meeting may be held by conference telephone or other communications equipment permitted by California Nonprofit Corporation Law, as long as all Directors participating in the meeting can communicate with one another and all other requirements of California Nonprofit Corporation Law are satisfied. All such Directors shall be deemed to be present in person at such meeting.

Section 7.9 Quorum and Action of the Board

7.9.1 Quorum

A majority of Directors then in office (but no fewer than two Directors or one-fifth of the authorized number in Section 7.1.1, whichever is greater) shall constitute a quorum for the transaction of business, except to adjourn as provided in Section 7.11.

7.9.2 Minimum Vote Requirements for Valid Board Action

Every act taken or decision made by a vote of the majority of the Directors present at a meeting duly held at which a quorum is present is the act of the Board, unless a greater number is expressly required by California Nonprofit Corporation Law, the Articles of Incorporation or these Bylaws. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors from the meeting, if any action taken is approved by at least a majority of the required quorum for that meeting.

7.9.3 When a Greater Vote Is Required for Valid Board Action

The following actions shall require a vote by a majority of all Directors then in office in order to be effective:

- (a) Approval of contracts or transactions in which a Director has a direct or indirect financial interest as described in Section 10.1 (provided that the vote of any interested Director(s) is not counted);
- (b) Creation of, and appointment to, Committees (but not advisory committees) as described in Section 8.1;
- (c) Removal of a Director without cause as described in Section 7.4.2; and
- (d) Indemnification of Directors as described in Article 11.

Section 7.10 Waiver of Notice

The transactions of any meeting of the Board, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (i) a quorum is present, and (ii) either before or after the meeting, each of the Directors who is not present at the

meeting signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent does not need to specify the purpose of the meeting. All waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Also, notice of a meeting is not required to be given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice. Directors can protest the lack of notice only by presenting a written protest to the Secretary either in person, by first-class mail addressed to the Secretary at the principal office of the Institute as contained on the records of the Institute as of the date of the protest, or by facsimile addressed to the facsimile number of the Institute as contained on the records of the Institute as of the date of the protest.

Section 7.11 Adjournment

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

Section 7.12 Notice of Adjournment

Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than 24 hours, in which case personal notice of the 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.

Section 7.13 Conduct of Meetings

Meetings of the Board shall be presided over by the Chairperson, or, if there is no Chairperson or the Chairperson is absent, the Executive Director or, if the Executive Director and Chairperson are both absent, by a chairperson of the meeting, chosen by a majority of the Directors present at the meeting. The Secretary shall act as secretary of all meetings of the Board, provided that, if the Secretary is absent, the presiding officer shall appoint another person to act as secretary of the meeting. Meetings shall be governed by rules of procedure as may be determined by the Board from time to time, insofar as such rules are not inconsistent with or in conflict with these Bylaws, with the Articles, or with any provisions of law applicable to the Institute.

Section 7.14 Action Without Meeting

Any action required or permitted to be taken by the Board may be taken without a meeting, if all members of the Board, individually or collectively, consent in writing to the action. For the purposes of this Section 7.14 only, "all members of the Board" shall not include any "interested Director" as defined in section 5233 of the California Nonprofit Corporation Law. Such written consent shall have the same force and effect as a unanimous vote of the Board taken at a meeting. Such written consent or consents shall be filed with the minutes of the proceedings of the Board.

Written consent may be transmitted by first-class mail, messenger, courier, facsimile, e-mail or any other reasonable method satisfactory to the Chairperson or the Executive Director.

Section 7.15 Fees and Compensation of Directors

The Institute shall not pay any compensation to Directors for services rendered to the Institute as Directors, except that Directors may be reimbursed for expenses incurred in the performance of their duties to the Institute, in reasonable amounts as approved by the Board.

Also, Directors may not be compensated for rendering services to the Institute in a capacity other than as Directors, unless such compensation is reasonable and further provided that not more than 49% of the persons serving as Directors may be "interested persons" which, for purposes of this Section 7.15 only, means:

- (a) any person currently being compensated by the Institute for services rendered to it within the previous 12 months, whether as a full or part-time Officer or other employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a Director as Director; or

- (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 any such person.

Section 7.16 Non-Liability of Directors

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

ARTICLE 8 COMMITTEES

Section 8.1 Committees of Directors

The Board may, by resolution adopted by a majority of the Directors then in office, create one or more Board Committees (“Committees”), including an executive committee, each consisting of two or more Directors, to serve at the discretion of the Board. Any Committee, to the extent provided in the resolution of the Board, may be given the authority of the Board except that no Committee may:

- (a) approve any action for which the California Nonprofit Corporation Law also requires approval of the members or approval of a majority of all members;
- (b) fill vacancies on the Board or in any Committee which has the authority of the Board;
- (c) fix compensation of the Directors for serving on the Board or on any Committee;
- (d) amend or repeal Bylaws or adopt new Bylaws;
- (e) amend or repeal any resolution of the Board which by its express terms is not so amendable or repealable;
- (f) appoint any other Committees or the members of these Committees;
- (g) expend corporate funds to support a nominee for Director after more persons have been nominated than can be elected; or
- (h) approve any transaction (i) between the Institute and one or more of its Directors or (ii) between the Institute and any entity in which one or more of its Directors have a material financial interest.

Section 8.2 Meetings and Action of Board Committees

Meetings and action of Committees shall be governed by, and held and taken in accordance with, the provisions of Article 7 concerning meetings of Directors, with such changes in the context of Article 7 as are necessary to substitute the Committee and its members for the Board and its members, except that the time for regular meetings of Committees may be determined by resolution of the Board, and special meetings of Committees may also be called by resolution of the Board. Minutes shall be kept of each meeting of any Committee and shall be filed with the corporate records. The Committee shall report to the Board from time to time as the Board may require. The Board may adopt rules for the governance of any Committee not inconsistent with the provisions by these Bylaws. In the absence of rules adopted by the Board, the Committee may adopt such rules.

Section 8.3 Quorum Rules for Board Committees

A majority of the Committee members shall constitute a quorum for the transaction of Committee business, except to adjourn. A majority of the Committee members present, whether or not constituting a quorum, may adjourn any meeting to another time and place. Every act taken or decision made by a majority of the Committee members present at a meeting duly held at which a

quorum is present shall be regarded as an act of the Committee, subject to the provisions of the California Nonprofit Corporation Law relating to actions that require a majority vote of the entire Board. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Committee members, if any action taken is approved by at least a majority of the required quorum for that meeting.

Section 8.4 Revocation of Delegated Authority

The Board may, at any time, revoke or modify any or all of the authority that the Board has delegated to a Committee, increase or decrease (but not below two) the number of members of a Committee, and fill vacancies in a Committee from the members of the Board.

Section 8.5 Nonprofit Integrity Act/Audit Committee

In any fiscal year in which the Institute receives or accrues gross revenues of two million dollars or more (excluding grants from, and contracts for services with, governmental entities for which the governmental entity requires an accounting of the funds received), the Board shall (i) prepare annual financial statements using generally accepted accounting principles that are audited by an independent certified public accountant (“CPA”) in conformity with generally accepted auditing standards; (ii) make the audit available to the Attorney General and to the public on the same basis that the Internal Revenue Service Form 990 is required to be made available; and (iii) appoint an Audit Committee.

The Audit Committee shall not include paid or unpaid staff or employees of the Institute, including, if staff members or employees, the Executive Director or the Treasurer. If there is a finance committee, members of the finance committee shall constitute less than 50% of the membership of the Audit Committee and the chairperson of the Audit Committee shall not be a member of the finance committee. Subject to the supervision of the Board, the Audit Committee shall:

- (a) make recommendations to the Board on the hiring and firing of the CPA;
- (b) confer with the CPA to satisfy Audit Committee members that the financial affairs of the Institute are in order;
- (c) approve non-audit services by the CPA and ensure such services conform to standards in the Yellow Book issued by the United States Comptroller General; and
- (d) if requested by the Board, negotiate the CPA’s compensation on behalf of the Board.

Section 8.6 Advisory Committees

The Board may create one or more advisory committees to serve at the pleasure of the Board. Appointments to such advisory committees need not, but may, be Directors. The Board shall appoint and discharge advisory committee members. All actions and recommendations of an advisory committee shall require ratification by the Board before being given effect.

ARTICLE 9 OFFICERS

Section 9.1 Officers

The officers of the Institute (“Officers”) shall be an Executive Director, a Chairperson, a Secretary, and a Treasurer. Other than the Chairperson, these persons may, but need not be, selected from among the Directors. The Board shall have the power to designate additional Officers, who also need not be Directors, with such duties, powers, titles and privileges as the Board may fix, including such Officers as may be appointed in accordance with Section 9.6.5. Any number of offices may be held by the same person, except that the Secretary and the Treasurer may not serve concurrently as either the Executive Director or the Chairperson.

- Section 9.2 Election of Officers
The Officers, except those appointed in accordance with Section 9.6.5, shall be elected by the Board at the annual meeting of the Institute for a term of two years, and each shall serve at the discretion of the Board until his or her successor shall be elected, or his or her earlier resignation or removal.
- Section 9.3 Removal of Officers
Subject to the rights, if any, of an Officer under any contract of employment, any Officer may be removed, with or without cause, (i) by the Board, at any regular or special meeting of the Board, or at the annual meeting of the Institute, or (ii) by an Officer on whom such power of removal may be conferred by the Board.
- Section 9.4 Resignation of Officers
Any Officer may resign at any time by giving written notice to the Institute. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any of the Institute under any contract to which the Officer is a party.
- Section 9.5 Vacancies in Offices
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 that such vacancies shall be filled as they occur and not on an annual basis. In the event of a vacancy in any office other than the Executive Director or one appointed in accordance with Section 9.6.5, such vacancy shall be filled temporarily by appointment by the Executive Director, or if none, by the Chairperson, and the appointee shall remain in office for 60 days, or until the next regular meeting of the Board, whichever comes first. Thereafter, the position can be filled only by action of the Board.
- Section 9.6 Responsibilities of Officers
- 9.6.1 Chairperson of the Board
The chairperson of the Board (the “Chairperson”), if any, shall be a Director and shall preside at meetings of the Board and exercise and perform such other powers and duties as may from time to time be assigned to him by the Board or prescribed by these Bylaws. If the Board designates both a Chairperson and an Executive Director, the Board shall, by resolution, establish the specific duties carried by each position.
- 9.6.2 Executive Director
The executive director of the Institute (the “Executive Director”) shall, if there is no Chairperson, or in the Chairperson’s absence, preside at meetings of the Board and exercise and perform such other powers and duties as may from time to time be assigned to him by the Board or prescribed by these Bylaws. Executive Director shall have the powers and duties prescribed in Section 9.7.
- 9.6.3 Secretary
The secretary of the Institute (the “Secretary”) shall attend to the following:
- 9.6.3.1 Bylaws
The Secretary shall certify and keep or cause to be kept at the principal office of the Institute the original or a copy of these Bylaws as amended to date.
- 9.6.3.2 Minute Book
The Secretary shall keep or cause to be kept a minute book as described in Section 12.1.

- 9.6.3.3 Notices
The Secretary shall give, or cause to be given, notice of all meetings of the Board in accordance with these Bylaws.
- 9.6.3.4 Corporate Records
Upon request, the Secretary shall exhibit or cause to be exhibited at all reasonable times to any Director, or to his or her agent or attorney, these Bylaws and the minute book.
- 9.6.3.5 Corporate Seal and Other Duties
The Secretary shall keep or cause to be kept the seal of the Institute, if any, in safe custody, and shall have such other powers and perform such other duties incident to the office of Secretary as may be prescribed by the Board or these Bylaws.
- 9.6.4 Treasurer
The treasurer of the Institute (the “Treasurer”) shall attend to the following:
- 9.6.4.1 Books of Account
The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and transactions of the Institute, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements. The books of account shall be open to inspection by any Director at all reasonable times.
- 9.6.4.2 Financial Reports
The Treasurer shall prepare, or cause to be prepared, and certify, or cause to be certified, the financial statements to be included in any required reports.
- 9.6.4.3 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 Institute with such depositories as may be designated by the Board; shall disburse, or cause to be disbursed, the funds of the Institute as may be ordered by the Board; shall render, or cause to be rendered to the Executive Director and Directors, whenever they request it, an account of all of his or her transactions as Treasurer and of the financial condition of the Institute; and shall have other powers and perform such other duties incident to the office of Treasurer as may be prescribed by the Board or these Bylaws.
- 9.6.4.4 Bond
If required by the Board, the Treasurer shall give the Institute a bond in the amount and with the surety or sureties specified by the Board for faithful performance of the duties of his office and for restoration to the Institute of all its books, papers, vouchers, money, and other property of every kind in his possession or under his control on his death, resignation, retirement, or removal from office.
- 9.6.5 Additional Officers
The Board may empower the Chairperson, or Executive Director, to appoint or remove such other Officers as the business of the Institute may require, each of whom shall hold office for such period, have such authority, and perform such duties as are provided in these Bylaws or as the Board from time to time may determine.
- Section 9.7 Executive Director
Subject to such supervisory powers as may be given by the Board to the Chairperson, the Board hires an executive director who shall be the general manager of the Institute, and subject to the control of the Board, shall supervise, direct and control the Institute's day-to-day activities,

business and affairs. The executive director shall be empowered to hire, supervise and fire all of the employees of the Institute, under such terms and having such job responsibilities as the executive director shall determine in his or her sole discretion, subject to the rights, if any, of the employee under any contract of employment. The executive director may delegate his or her responsibilities and powers subject to the control of the Board. He or she shall have such other powers and duties as may be prescribed by the Board or these Bylaws. Additionally, the Board shall appoint the executive director as an Officer.

Section 9.8 Compensation of Officers

9.8.1 Salaries Fixed by Board

The salaries of Officers, if any, shall be fixed from time to time by resolution of the Board or by the person or Committee to whom the Board has delegated this function, and no Officer shall be prevented from receiving such salary by reason of the fact that he or she is also a Director, provided, however, that such compensation paid to a Director for serving as an Officer shall only be allowed if permitted under the provisions of Section 7.15. In all cases, any salaries received by Officers shall be reasonable and given in return for services actually rendered for the Institute which relate to the performance of the public benefit purposes of the Institute. No salaried Officer serving as a Director shall be permitted to vote on his or her own compensation as an Officer.

9.8.2 Fairness of Compensation

The Board shall periodically review the fairness of compensation, including benefits, paid to every person, regardless of title, with powers, duties, or responsibilities comparable to the executive director, or treasurer (i) once such person is hired, (ii) upon any extension or renewal of such person's term of employment, and (iii) when such person's compensation is modified (unless all employees are subject to the same general modification of compensation).

ARTICLE 10 CONFLICT OF INTEREST AND COMPENSATION APPROVAL POLICIES

Section 10.1 Purpose of Conflict of Interest Policy

The purpose of this conflict of interest policy is to protect this tax-exempt corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the corporation or any "disqualified person" as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations and which might result in a possible "excess benefit transaction" as defined in Section 4958(c)(1)(A) of the Internal Revenue Code and as amplified by Section 53.4958 of the IRS Regulations. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Section 10.2 Definitions

10.2.1 Interested Person.

Any director, principal officer, member of a committee with board delegated powers, or any other person who is a "disqualified person" as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations, who has a direct or indirect financial interest, as defined below, is an interested person.

10.2.2 Financial Interest.

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- (a) an ownership or investment interest in any entity with which the Institute has a transaction or arrangement,
- (b) a compensation arrangement with the Institute or with any entity or individual with which the Institute has a transaction or arrangement, or

- (c) a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Institute is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Section 10.3, paragraph 10.3.2, a person who has a financial interest may have a conflict of interest only if the Board or Committee decides that a conflict of interest exists.

Section 10.3 Conflict of Interest Avoidance Procedures

10.3.1 Duty to Disclose.

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with board delegated powers considering the proposed transaction or arrangement.

10.3.2 Determining Whether a Conflict of Interest Exists.

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the Board or Committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or Committee members shall decide if a conflict of interest exists.

10.3.3 Procedures for Addressing the Conflict of Interest.

An interested person may make a presentation at the Board or Committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.

The chairperson of the Board or Committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

After exercising due diligence, the Board or Committee shall determine whether the Institute can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Institute's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

10.3.4 Violations of the Conflicts of Interest Policy.

If the Board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.

If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board or Committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 10.4 Records of Board and Board Committee Proceedings

The minutes of meetings of the Board and all committees with board delegated powers shall contain:

- (a) The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board's or Committee's decision as to whether a conflict of interest in fact existed.
- (b) The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Section 10.5

Interlocking Directorates

No contract or other transaction between the Institute and any corporation, firm or association of which one or more Directors are directors is either void or voidable because such Director(s) are present at the Board or Committee meeting that authorizes, approves or ratifies the contract or transaction, if (i) the material facts as to the transaction and as to such Director's other directorship are fully disclosed or known to the Board or Committee, and the Board or Committee authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient without counting the vote of the common Director(s) (subject to the quorum provisions of Article 7); or if (ii) the contract or transaction is just and reasonable as to the Institute at the time it is authorized, approved or ratified.

Section 10.6

Compensation Approval Policies

A voting member of the Board who receives compensation, directly or indirectly, from the Institute for services is precluded from voting on matters pertaining to that member's compensation.

A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Institute for services is precluded from voting on matters pertaining to that member's compensation.

No voting member of the Board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Institute, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

When approving compensation for directors, officers and employees, contractors, and any other compensation contract or arrangement, in addition to complying with the conflict of interest requirements and policies contained in the preceding and following sections of this article as well as the preceding paragraphs of this section of this article, the Board or a duly constituted compensation committee of the Board shall also comply with the following additional requirements and procedures:

- (a) the terms of compensation shall be approved by the Board or compensation committee prior to the first payment of compensation.
- (b) all members of the Board or compensation committee who approve compensation arrangements must not have a conflict of interest with respect to the compensation arrangement as specified in IRS Regulation Section 53.4958-6(c)(iii), which generally requires that each Board member or committee member approving a compensation arrangement between this organization and a "disqualified person" (as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations):

- (1) is not the person who is the subject of compensation arrangement, or a family member of such person;

- (2) is not in an employment relationship subject to the direction or control of the person who is the subject of compensation arrangement
 - (3) does not receive compensation or other payments subject to approval by the person who is the subject of compensation arrangement
 - (4) has no material financial interest affected by the compensation arrangement; and
 - (5) does not approve a transaction providing economic benefits to the person who is the subject of the compensation arrangement, who in turn has approved or will approve a transaction providing benefits to the Board or committee member.
- (c) the Board or compensation committee shall obtain and rely upon appropriate data as to comparability prior to approving the terms of compensation. Appropriate data may include the following:
- (1) compensation levels paid by similarly situated organizations, both taxable and tax-exempt, for functionally comparable positions. "Similarly situated" organizations are those of a similar size and purpose and with similar resources
 - (2) the availability of similar services in the geographic area of this organization
 - (3) current compensation surveys compiled by independent firms
 - (4) actual written offers from similar institutions competing for the services of the person who is the subject of the compensation arrangement.

As allowed by IRS Regulation 4958-6, if this organization has average annual gross receipts (including contributions) for its three prior tax years of less than \$1 million, the Board or compensation committee will have obtained and relied upon appropriate data as to comparability if it obtains and relies upon data on compensation paid by three comparable organizations in the same or similar communities for similar services.

- (d) the terms of compensation and the basis for approving them shall be recorded in written minutes of the meeting of the Board or compensation committee that approved the compensation. Such documentation shall include:
- (1) the terms of the compensation arrangement and the date it was approved
 - (2) the members of the Board or compensation committee who were present during debate on the transaction, those who voted on it, and the votes cast by each Board or committee member
 - (3) the comparability data obtained and relied upon and how the data was obtained.
 - (4) If the Board or compensation committee determines that reasonable compensation for a specific position in this organization or for providing services under any other compensation arrangement with this organization is higher or lower than the range of comparability data obtained, the Board or committee shall record in the minutes of the meeting the basis for its determination.
 - (5) If the Board or committee makes adjustments to comparability data due to geographic area or other specific conditions, these adjustments and the reasons for them shall be recorded in the minutes of the Board or committee meeting.

- (6) any actions taken with respect to determining if a board or committee member had a conflict of interest with respect to the compensation arrangement, and if so, actions taken to make sure the member with the conflict of interest did not affect or participate in the approval of the transaction (for example, a notation in the records that after a finding of conflict of interest by a member, the member with the conflict of interest was asked to, and did, leave the meeting prior to a discussion of the compensation arrangement and a taking of the votes to approve the arrangement).
- (7) The minutes of Board or committee meetings at which compensation arrangements are approved must be prepared before the later of the date of the next Board or committee meeting or 60 days after the final actions of the Board or committee are taken with respect to the approval of the compensation arrangements. The minutes must be reviewed and approved by the Board and committee as reasonable, accurate, and complete within a reasonable period thereafter, normally prior to or at the next Board or committee meeting following final action on the arrangement by the Board or committee.

Section 10.7 Annual Statements

Each director, principal officer, and member of a committee with board delegated powers shall annually sign a statement which affirms such person:

- (a) has received a copy of the conflicts of interest policy,
- (b) has read and understands the policy,
- (c) has agreed to comply with the policy, and
- (d) understands the Institute is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Section 10.8 Periodic Reviews

To ensure the Institute operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- (a) Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's-length bargaining.
- (b) Whether partnerships, joint ventures, and arrangements with management organizations conform to the Institute's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes, and do not result in inurement, impermissible private benefit, or in an excess benefit transaction.

Section 10.9 Use of Outside Experts

When conducting the periodic reviews as provided for in Section 10.8, the Institute may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the Board of its responsibility for ensuring periodic reviews are conducted.

ARTICLE 11 INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS

Section 11.1 Definitions

For purpose of this Article 11,

- 11.1.1 “Agent”
means any person who is or was a Director, Officer, employee, or other agent of the Institute, or is or was serving at the request of the Institute as a Director, Officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, or was a Director, Officer, employee, or agent of a foreign or domestic corporation that was a predecessor corporation of the Institute or of another enterprise at the request of the predecessor corporation;
- 11.1.2 “Proceeding”
means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and
- 11.1.3 “Expenses”
includes, without limitation, all attorneys’ fees, costs, and any other expenses reasonably incurred in the defense of any claims or proceedings against an Agent by reason of his or her position or relationship as Agent and all attorneys’ fees, costs, and other expenses reasonably incurred in establishing a right to indemnification under this Article 11.
- Section 11.2 Applicability of Indemnification Provisions
- 11.2.1 Successful Defense by Agent
To the extent that an Agent has been successful on the merits in the defense of any proceeding referred to in this Article 11, or in the defense of any claim, issue, or matter therein, the Agent shall be indemnified against expenses actually and reasonably incurred by the Agent in connection with the claim.
- 11.2.2 Settlement or Unsuccessful Defense by Agent
If an Agent either settles any proceeding referred to in this Article 11, or any claim, issue, or matter therein, or sustains a judgment rendered against him, then the provisions of Section 11.3 through Section 11.6 shall determine whether the Agent is entitled to indemnification.
- Section 11.3 Actions Brought by Persons Other than the Institute
This Section 11.3 applies to any proceeding other than an action “by or on behalf of the corporation” as defined in Section 11.4. Such proceedings that are not brought by or on behalf of the Institute are referred to in this Section 11.3 as “Third Party proceedings.”
- 11.3.1 Scope of Indemnification in Third Party Proceedings
Subject to the required findings to be made pursuant to Section 11.3.2, the Institute may indemnify any person who was or is a party, or is threatened to be made a party, to any Third Party proceeding, by reason of the fact that such person is or was an Agent, for all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with the proceeding.
- 11.3.2 Required Standard of Conduct for Indemnification in Third Party Proceedings
Any indemnification granted to an Agent in Section 11.3.1 above is conditioned on the following. The Board must determine, in the manner provided in Section 11.5, that the Agent seeking reimbursement acted in good faith, in a manner he or she reasonably believed to be in the best interest of the Institute, and, in the case of a criminal proceeding, he or she must have had no reasonable cause to believe that his or her conduct was unlawful. The termination of any proceeding by judgment, order, settlement, conviction, or on a plea of *nolo contendere* or its equivalent shall not, of itself, create a presumption that the person did not act in good faith or in a manner he or she reasonably believed to be in the best interest of the Institute or that he or she had reasonable cause to believe that his or her conduct was unlawful.
- Section 11.4 Action Brought By or On Behalf Of the Institute
This Section 11.4 applies to any proceeding brought (i) by or in the right of the Institute, or (ii) by an Officer, Director or person granted relator status by the Attorney General, or by the Attorney

General, on the ground that the defendant Director was or is engaging in self-dealing within the meaning of section 5233 of the California Nonprofit Corporation Law, or (iii) by the Attorney General or person granted relator status by the Attorney General for any breach of duty relating to assets held in charitable trust (any such proceeding is referred to in these Bylaws as a proceeding “by or on behalf of the Institute”).

11.4.1 Scope of Indemnification in Proceeding By or On Behalf Of the Institute

Subject to the required findings to be made pursuant to Section 11.4.2, and except as provided in Sections 11.4.3 and 11.4.4, the Institute may indemnify any person who was or is a party, or is threatened to be made a party, to any proceeding by or on behalf of the Institute, by reason of the fact that such person is or was an Agent, for all expenses actually and reasonably incurred in connection with the defense or settlement of such action.

11.4.2 Required Standard of Conduct for Indemnification in Proceeding By or On Behalf Of the Institute

Any indemnification granted to an Agent in Section 11.4.1 is conditioned on the following. The Board must determine, in the manner provided in Section 11.5, that the Agent seeking reimbursement acted in good faith, in a manner he or she believed to be in the best interest of the Institute and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

11.4.3 Claims Settled Out of Court

If any Agent settles or otherwise disposes of a threatened or pending action brought by or on behalf of the Institute, with or without court approval, the Agent shall receive no indemnification for amounts paid pursuant to the terms of the settlement or other disposition. Also, in cases settled or otherwise disposed of without court approval, the Agent shall receive no indemnification for expenses reasonably incurred in defending against the proceeding, unless the proceeding is settled with the approval of the Attorney General.

11.4.4 Claims and Suits Awarded Against Agent

If any Agent is adjudged to be liable to the Institute in the performance of the Agent’s duty to the Institute, the Agent shall receive no indemnification for amounts paid pursuant to the judgment, and any indemnification of such Agent under Section 11.4.1 for expenses actually and reasonably incurred in connection with the defense of that action shall be made only if both of the following conditions are met:

- (a) The determination of good faith conduct required by Section 11.4.2 must be made in the manner provided for in Section 11.5; and
- (b) Upon application, the court in which the action was brought must determine that, in view of all of the circumstances of the case, the Agent is fairly and reasonably entitled to indemnity for the expenses incurred. If the Agent is found to be so entitled, the court shall determine the appropriate amount of expenses to be reimbursed.

Section 11.5 Determination of Agent’s Good Faith Conduct

The indemnification granted to an Agent in Section 11.3 and Section 11.4 is conditioned on the findings required by those Sections being made by:

- (a) the Board by a majority vote of a quorum consisting of Directors who are not parties to the proceeding; or
- (b) the court in which the proceeding is or was pending. Such determination may be made on application brought by the Institute or the Agent or the attorney or other person rendering a defense to the Agent, whether or not the application by the Agent, attorney, or other person is opposed by the Institute.

Section 11.6 Limitations
No indemnification or advance shall be made under this Article 11, except as provided in Section 11.2.1 or Section 11.5(b), in any circumstances when it appears:

- (a) that the indemnification or advance would be inconsistent with a provision of the Articles of Incorporation, as amended, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or
- (b) that the indemnification would be inconsistent with any condition expressly imposed by a court in approving a settlement.

Section 11.7 Advance of Expenses
Expenses incurred in defending any proceeding may be advanced by the Institute before the final disposition of the proceeding on receipt of an undertaking by or on behalf of the Agent to repay the amount of the advance unless it is determined ultimately that the Agent is entitled to be indemnified as authorized in this Article 11.

Section 11.8 Contractual Rights of Non-Directors and Non-Officers
Nothing contained in this Article 11 shall affect any right to indemnification to which persons other than Directors and Officers of the Institute, or any of its subsidiaries, may be entitled by contract or otherwise.

Section 11.9 Insurance
The Board may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any Agent, as defined in this Article 11, against any liability asserted against or incurred by any Agent in such capacity or arising out of the Agent's status as such, whether or not the Institute would have the power to indemnify the Agent against the liability under the provisions of this Article 11.

ARTICLE 12 CORPORATE RECORDS, REPORTS AND SEAL

Section 12.1 Minute Book
The Institute shall keep a minute book in written form which shall contain a record of all actions by the Board or any committee including (i) the time, date and place of each meeting; (ii) whether a meeting is regular or special and, if special, how called; (iii) the manner of giving notice of each meeting and a copy thereof; (iv) the names of those present at each meeting of the Board or any Committee thereof; (v) the minutes of all meetings; (vi) any written waivers of notice, consents to the holding of a meeting or approvals of the minutes thereof; (vii) all written consents for action without a meeting; (viii) all protests concerning lack of notice; and (ix) formal dissents from Board actions.

Section 12.2 Books and Records of Account
The Institute shall keep adequate and correct books and records of account. "Correct books and records" includes, but is not necessarily limited to: accounts of properties and transactions, its assets, liabilities, receipts, disbursements, gains, and losses.

Section 12.3 Articles of Incorporation and Bylaws
The Institute shall keep at its principal office, the original or a copy of the Articles of Incorporation and Bylaws as amended to date.

Section 12.4 Maintenance and Inspection of Federal Tax Exemption Application and Annual Information Returns

The Institute shall at all times keep at its principal office a copy of its federal tax exemption application and, for three years from their date of filing, its annual information returns. These documents shall be open to public inspection and copying to the extent required by the Code.

Section 12.5 Annual Report; Statement of Certain Transactions

The Board shall cause an annual report to be sent to each Director within 120 days after the close of the Institute's fiscal year containing the following information:

- (a) The assets and liabilities of the Institute as of the end of the fiscal year;
- (b) The principal changes in assets and liabilities, including trust funds, during the fiscal year;
- (c) The revenue or receipts of the Institute, both unrestricted and restricted to particular purposes, for this fiscal year;
- (d) The expenses or disbursements of the Institute for both general and restricted purposes during the fiscal year;
- (e) A statement of any transaction (i) to which the Institute, its parent, or its subsidiary was a party, (ii) which involved more than \$50,000 or which was one of a number of such transactions with the same person involving, in the aggregate, more than \$50,000, and (iii) in which either of the following interested persons had a direct or indirect financial interest (a mere common directorship is not a financial interest):
 - (1) Any Director or Officer of the Institute, its parent, or its subsidiary;
 - (2) Any holder of more than 10% of the voting power of the Institute, its parent, or its subsidiary.

The statement shall include: (i) a brief description of the transaction; (ii) the names of interested persons involved; (iii) their relationship to the Institute; (iv) the nature of their interest in the transaction, and; (v) when practicable, the amount of that interest, provided that, in the case of a partnership in which such person is a partner, only the interest of the partnership need be stated.

- (f) A brief description of the amounts and circumstances of any loans, guaranties, indemnifications, or advances aggregating more than \$10,000 paid during the fiscal year to any Officer or Director under Article 10 or Article 11.

Section 12.6 Directors' Rights of Inspection

Every Director shall have the absolute right at any reasonable time to inspect the books, records, documents of every kind, and physical properties of the Institute and 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.

Section 12.7 Corporate Seal

The corporate seal, if any, shall be in such form as may be approved from time to time by the Board. Failure to affix the seal to corporate instruments, however, shall not affect the validity of any such instrument.

Section 12.8 Annual Report of Donations and Its Display on the Website

An annual report of raised donations and the relevant activities based on those funds during the fiscal year shall be open to the public via the SKCI's website.

ARTICLE 13 EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS

Section 13.1 Execution of Instruments

The Board, except as otherwise provided in these Bylaws, may by resolution authorize any Officer or agent of the Institute to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Institute, 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 Institute by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

Section 13.2 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 Institute shall be signed by the Treasurer and countersigned by the Executive Director.

Section 13.3 Deposits

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

Section 13.4 Gifts

The Board may accept on behalf of the Institute any contribution, gift, bequest, or devise for the charitable or public purposes of the Institute.

ARTICLE 14 CONSTRUCTION AND DEFINITIONS

Unless the context requires otherwise, the general provisions, rules of construction, and definitions of California Nonprofit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of the above, the masculine gender includes the feminine and neuter, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both the Institute and a natural person. All references to statutes, regulations and laws shall include any future statutes, regulations and laws that replace those referenced.

ARTICLE 15 AMENDMENTS

Section 15.1 Amendment by Directors

The Board may adopt, amend or repeal bylaws. Such power is subject to the following limitations:

- (a) 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.
- (b) No amendment may extend the term of a Director beyond that for which such Director was elected.
- (c) If bylaws are adopted, amended or repealed at a meeting of the Board, such action is authorized only at a duly called and held meeting for which written notice of such meeting, setting forth the proposed bylaw revisions with explanations therefor, is given in accordance with these Bylaws, unless such notice is waived in accordance with these Bylaws.


**CERTIFICATE OF ADOPTION OF AMENDED AND RESTATED BYLAWS
OF
SUSTAINABLE KOREAN CULTURE INSTITUTE, INC.**

The Bylaws were originally adopted effective the 8th day of December, 2016. These Bylaws are hereby republished as of the 26th day of December, 2018 to incorporate the provisions of the First Amendment adopted December 26, 2018 into the Amended and Restated Bylaws.

The undersigned hereby certifies that he is the duly elected, qualified, and acting Secretary of Sustainable Korean Culture Institute, Inc and that the foregoing Amended and Restated Bylaws were submitted to and approved and adopted by the Board of Directors of the Institute by resolution dated December 26, 2018.

Executed on Special Meeting at C.V. Starr East Asian Library Art History Seminar Room, UC Berkeley, California

Date: December 26, 2018.



Albert Chung, Secretary