

BYLAWS

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**American Nonprofits, Inc.**  
A California Nonprofit Public Benefit Corporation

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of

**American Nonprofits, Inc.**

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BYLAWS  
OF  
AMERICAN NONPROFITS, INC.  
A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION

ARTICLE I  
NAME AND PURPOSES

The name of this Corporation is American Nonprofits, Inc. This Corporation is organized under the Nonprofit Public Benefit Corporation Law exclusively for charitable purposes. Specifically, this Corporation is organized and operated to strengthen the efficiency and effectiveness of IRS designated 501(c)(3) organizations by providing services and resources to nonprofits and their stakeholders, staff and volunteers.

ARTICLE II  
OFFICES

Section 1. Principal Office. The Board of Directors shall fix the location of the principal executive office of the Corporation at any place within or outside the State of California. The Board of Directors may at any time, or from time to time, change the location of the principal executive office.

Section 2. Other Offices. The Board of Directors may at any time establish branch or subordinate offices at any place or places where the Corporation is qualified to do business.

ARTICLE III  
MEMBERSHIP

Section 1. Qualifications. This Corporation shall have two (2) classes of members.

(a) Organizational. Any nonprofit organization operated under the laws of the United States, which has received and maintains a current and unrevoked determination of tax-exempt status under Section 501(c)(3) of the Internal Revenue Code shall be eligible for membership upon approval of the membership application by the Board of Directors or its designee and on

American Nonprofits  
April 5, 2012

timely payment of such amounts as membership dues as are fixed by the Board of Directors from time to time. Each Organizational Member shall designate a senior manager or officer to be the primary contact for this membership. If no person is specifically designated by the organization, the chief executive officer/executive director of the member organization shall be the contact of record.

(b). Individual. Any stakeholder engaged in the business of 501(c)(3) nonprofit organizations shall be eligible for membership in this corporation upon approval of their application by the Board of Directors or its designee and payment of dues. A stakeholder shall be a natural person who is a staff member, volunteer, member, supporter, recipient or otherwise has a significant relationship with a 501(c)(3) organization.

Section 2. Acceptance for Membership. Application for membership shall be made on forms prescribed by the Corporation. Approval of the membership application and acceptance for membership shall be in the sole discretion of the Corporation and its Board of Directors. Employees and volunteers of Organizational Members as designated and named by that Organization or as revealed to this Corporation by the employee or volunteer themselves shall be accepted as an Individual Membership with a term equal to the term of the Organizational Membership with which they are related.

Section 3. Term of Membership. All memberships shall be for a term as defined by the Board of Directors. All decisions regarding renewal of memberships shall be in the sole discretion of the Corporation and its Board of Directors.

Section 4. Rights of Members. Members shall have rights as specified under California law including the right to vote, as set forth in these Bylaws, on the election of directors, on the disposition of all or substantially all of the Corporation's assets, on any merger and its principal terms and any amendment of those terms, and on any election to dissolve the Corporation.

Section 5. Dues. Dues shall be fixed from time to time by the Board of Directors and published by this Corporation independent of these Bylaws.

Section 6. Termination of Membership. A membership shall terminate on the occurrence of any of the following events:

- (a) Resignation of the member, on reasonable notice to the Corporation;
- (b) Expiration of the term of membership, unless the membership is renewed on the renewal terms fixed by the Board;
- (c) Failure of the member to pay dues or other outstanding amounts owed to this Corporation within thirty (30) days after they become due and payable;
- (d) Voluntary or involuntary dissolution of the organizational member or failure of the organizational member to maintain its tax exempt status under Section 501(c)(3) of the Internal Revenue Code;

(e) Occurrence of any event that renders the member ineligible for membership, or failure to continue to satisfy membership qualifications; or

(f) Expulsion of the member under Section 8 of this Article III, based on the good faith determination by the Board of Directors, or a committee or person authorized by the Board of Directors to make such a determination, that the member has failed in a material and serious degree to observe the rules of conduct of the Corporation, or has engaged in conduct materially and seriously prejudicial to the purposes and interests of the Corporation.

Section 7. Suspension of Membership. A member may be suspended, under Section 8 of this Article III, based on the good faith determination by the Board, or a Committee or person authorized by the Board to make such a determination, that the member has failed in a material and serious degree to observe the Corporation's rules of conduct, or has engaged in conduct materially and seriously prejudicial to the purposes and interests of the Corporation.

When a corporation's membership is suspended, it shall not be a member during the period of suspension.

Section 8. Procedure for Expulsion, Suspension or Termination. If grounds appear to exist for expulsion or suspension or termination of a member under Sections 6(f) or 7 of this Article III, the procedure set forth below shall be followed:

(a) The member shall be given fifteen (15) days' prior notice, by any method reasonably calculated to provide actual notice, of the proposed expulsion, suspension or termination and the reasons therefore. Any notice given by mail shall be sent by first-class or registered mail to the member's last address as shown on the Corporation's records.

(b) The member shall be given an opportunity to be heard, either orally or in writing, at least five (5) days before the effective date of the proposed expulsion, suspension or termination. The hearing shall be held, or the written statement considered, by the Board or by a committee or person authorized by the Board to determine whether the expulsion or suspension should take place.

(c) The Board, committee, or person shall decide whether or not the member should be suspended, expelled, terminated or sanctioned in some other way. The decision of the Board, committee or person shall be final.

(d) Any action challenging an expulsion, suspension, or termination of membership, including a claim alleging defective notice, must be commenced within one (1) year after the date of the expulsion, suspension, or termination.

## ARTICLE IV MEETINGS OF MEMBERS

Section 1. Place of Meetings and Meeting by Telephone. Meetings of the members shall be held at any place within or outside the State of California designated by the Board of Directors. In the absence of any such designation, members' meetings shall be held at the principal executive office of the Corporation. Any meeting may be held by conference telephone or similar communication equipment, as permitted under California law, and all such members shall be deemed to be present in person at such a meeting.

Section 2. Annual Meeting. An annual members' meeting shall be held each calendar year on a date and at a time designated by the Board of Directors. At each annual meeting, any proper business may be transacted which is within the powers of the members as granted by the laws of California or these Bylaws.

Section 3. Special Meetings. A special meeting of the members for any lawful purpose may be called at any time by the Board of Directors, the Chair of the Board of Directors, or by five (5) percent or more of the members.

A special meeting called by any person (other than the Board of Directors) entitled to call a meeting shall be called by written request as permitted under California law, specifying the general nature of the business proposed to be transacted, and submitted to the Chair of the Board or the Secretary. The officer receiving the request shall cause notice to be given promptly to the members entitled to vote, in accordance with Section 4 of this Article IV.

Only the business, the general nature of which was set forth in the notice of the meeting, may be transacted at a special meeting.

Section 4. Notice of Meeting. Whenever members are required or permitted to take any action at a meeting, written notice as permitted under California law of the meeting shall be given in accordance with this Section 4 to each member entitled to vote at that meeting. The notice shall specify the place, date and time of the meeting and (i) in the case of a special meeting, the general nature of the business to be transacted, and a statement that no other business may be transacted, or (ii) in the case of an annual meeting, those matters which the Board of Directors, at the time notice is given, intends to present for action by the members, but, except as provided in Section 5 of this Article IV, any proper matter may be presented at the meeting. The notice of any meeting at which directors are to be elected shall include the names of all nominees whose names will appear on the ballot.

Notice of any meeting of members shall be in writing as permitted under California law and shall be given not less than ten (10) nor more than ninety (90) days before the date of the meeting

Section 5. Quorum at a Meeting of Members. A quorum for transaction of business at any meeting of members shall be the lesser of (i) five percent (5%) of the members, or (ii) one

hundred twenty five (125) members to vote. The members present at a duly called or held meeting at which a quorum is present may continue to transact business until adjournment, even if enough members have withdrawn to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the members required to constitute a quorum.

Section 6. Adjournment. Any members' meeting, whether or not a quorum is present, may be adjourned from time to time by the vote of the majority of the members represented at the meeting. No meeting may be adjourned for more than forty-five (45) days. When a members' meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which adjournment is taken. If after adjournment a new record date is fixed for notice or voting, a notice of the adjourned meeting shall be given to each member who, on the record date for notice of the meeting, is entitled to vote at the meeting. At the adjourned meeting, the Corporation may transact any business that might have been transacted at the original meeting.

Section 7. Voting. Subject to the provisions of the California Nonprofit Public Benefit Corporation Law, members entitled to vote at any meeting of members shall be members in good standing as of the date of such meeting. Voting may be by voice or ballot in accordance with California law. No proxy votes are permitted under these bylaws.

Section 8. Election of Directors. At least 90 days but not less than 120 days before the date of election of Directors of this Corporation the Board of Directors shall establish a Nominating Committee for the purpose of reviewing candidates for the position of Director. Nominations shall close 60 days before such election date. The Nominating Committee shall present to the Board of Directors a list of qualified candidates and notice of election will be made to members at least 20 days before such election and in accordance with California law.

## ARTICLE V DIRECTORS

Section 1. Powers. Subject to the provisions of the California Nonprofit Corporation Law and any other applicable laws, and subject to any limitations in the Articles of Incorporation and these Bylaws relating to actions that require the approval of the members, the business and affairs of the Corporation shall be managed and all powers shall be exercised by or under the direction of the Board of Directors.

Section 2. Number and Qualifications of Directors. The authorized number of directors of the Corporation shall be not less than five (5) nor more than ten (10). The election process shall be executed in a manner to ensure that at least one third (1/3) of the Board members are designated representatives of Organizational Members. The Board of Directors may, from time to time, establish professional, expert or other objective designations as pre-qualifications for the position of Director but meeting such qualification, any Member in good standing on the date of the election is qualified for the position of Director. The Chief Executive of the Corporation shall

be designated as a member the Board of Directors and shall be counted as a representative of an Organizational Member.

Section 3. Election and Term of Office of Directors. The Board of Directors shall be divided into three (3) groups of approximately equal size. Each group shall serve for a term of three (3) years and such terms shall be staggered so that approximately one-third (1/3) of the directors' terms expire each year. Directors shall be eligible for re-election to the Board of Directors. The Board of Directors shall determine the procedure by which the staggering of the terms shall be implemented.

In the event of a tie vote in an election for the board of directors, a majority vote of the entire sitting board of directors shall break the tie, except that a director or candidate standing for reelection shall not vote if his or her own seat is under consideration.

Section 4. Vacancies. Vacancies on the Board of Directors may be filled by approval of the Board or, if the number of directors in office is less than a quorum, by (i) the unanimous written consent of the remaining directors; (ii) the affirmative vote of a majority of the remaining directors; or (iii) a sole remaining director, except that a vacancy created by the removal of a director by the vote or written consent of the members or by court order may be filled only by the vote of a majority of the members voting at a duly held meeting at which a quorum is present, or by the written consent of a majority of the members. Each director elected to fill a vacancy shall hold office until the expiration of the term of office of his or her predecessor or until a successor has been elected and qualified.

A vacancy or vacancies on the Board of Directors shall be deemed to exist (i) in the event of the death, resignation or removal of any director, (ii) if the Board of Directors by resolution declares vacant the office of a director who has been declared of unsound mind by an order of court or who has been convicted of a felony, (iii) if the authorized number of directors is increased, or (v) if the members fail, at any meeting of the members at which any director or directors are elected, to elect the number of directors to be elected at that meeting.

The members may elect a director at any time to fill any vacancy not filled by the Board of Directors.

Any director may resign effective on giving written notice to the Chair of the Board, the Secretary or the Board of Directors, unless the notice specifies a later time for the resignation to become effective. If the resignation of a director is effective at a future time, the Board of Directors may elect a successor to take office when the resignation becomes effective.

No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

Section 5. Place of Meetings and Meeting by Telephone. Regular meetings of the Board of Directors may be held at any place within or outside the State of California that has been designated from time to time by resolution of the Board. In the absence of such a designation,



regular meetings shall be held at the principal executive office of the Corporation. Special meetings of the Board shall be held at any place within or without the State of California that has been designated in the notice of the meeting or, if not stated in the notice or there is no notice, at the principal executive office of the Corporation. Any meeting, regular or special, may be held by conference telephone or similar communication equipment as permitted by California law.

Section 6. Regular Meetings. Regular meetings of the Board of Directors shall be held without call at such time as shall from time to time be fixed by the Board of Directors. Such regular meetings may be held without notice.

Section 7. Special Meetings. Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the President or Chair or any two (2) directors.

Notice of the time and place of special meetings shall be announced in accordance with California law and at least two (2) days before the time of the holding of the meeting.

Section 8. Quorum. A majority of the authorized number of directors shall constitute a quorum for the transaction of business. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

Section 9. Action Without Meeting. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting if all members of the Board shall individually or collectively consent in writing to that action. Such action by written consent shall have the same force and effect as a unanimous vote of the Board of Directors. Such written consent or consents shall be filed with the minutes of the proceedings of the Board of Directors.

Section 10. Appointment of Committees. The Board of Directors may, by resolution adopted by a majority of the number of directors then in office, provided that a quorum is present, designate an Executive Committee and one (1) or more other committees, each consisting of two (2) or more directors, members or other persons, to serve at the pleasure of the Board of Directors.

## ARTICLE VI OFFICERS

Section 1. Officers. The officers of the Corporation shall be a Chair of the Board, President, a Secretary, and a Treasurer. The Corporation may also have, at the discretion of the Board of Directors, one (1) or more other officer positions. Any number of offices may be held by the same person, except that neither the Secretary nor the Treasurer may serve concurrently as the Chair of the Board.

Section 2. Election of Officers. The officers of the Corporation shall serve at the pleasure of the Board, subject to the rights, if any, of an officer under any contract of employment.

Section 3. Removal and Resignation of Officers. Without prejudice to any rights of an officer under any contract of employment, any officer may be removed, with or without cause, by the Board or by any officer on whom the Board may, and does, confer that power of removal.

Any officer may resign at any time by giving written notice to the Corporation. Any resignation shall take effect as of 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 Corporation under any contract to which the officer is a party.

Section 4. 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.

Section 5. Chair of the Board. The Chair of the Board, shall, if present, preside at all meetings of the members and at all meetings of the Board of Directors and shall exercise and perform such other powers and duties as may be from time to time assigned to her or him by the Board of Directors or prescribed by these Bylaws.

Section 6. Secretary. The Secretary shall keep or cause to be kept, at the principal executive office or such other place as the Board of Directors may direct, a book of minutes of all meetings and actions of directors, committees of directors and members, with the time and place of holding, whether regular or special, and, if special, how authorized, the notice given, the names of those present or represented at the members' meetings and the proceedings.

The Secretary shall keep or cause to be kept, at the principal executive office or at the office of the Corporation's transfer agent or registrar, as determined by resolution of the Board of Directors, a record of members, or a duplicate record, showing the names of all members, their addresses and pertinent information regarding membership status.

The Secretary shall give, or cause to be given, notice of all meetings of the members and of the Board of Directors required by these Bylaws or by law to be given, shall keep the seal of the Corporation, if one be adopted, in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these Bylaws.

Section 7. Treasurer. 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 business transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings and interests. The books of account shall at all reasonable times be open to inspection by any director.

The Treasurer shall render or cause to be rendered to the Chair, President and Board of Directors, whenever requested, an account of transactions or statements of the financial condition of the Corporation.

Section 8. President. The President shall preside, in the absence of the Chairman of the Board, at all meetings of the members and of the Board of Directors and shall exercise and perform such other powers and duties as may be from time to time assigned to her or him by the Board of Directors or prescribed by these Bylaws.

## ARTICLE VII INDEMNIFICATION DIRECTORS, OFFICERS, EMPLOYEES AND OTHER AGENTS

Section 1. Definitions. For purposes of this Article, the following definitions shall apply:

(a) "Agent" shall mean any person who (i) is or was a director, officer, employee or other agent of this Corporation, or (ii) is or was serving at the request of this Corporation as a director, officer, employee or other 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 which was a predecessor corporation of the Corporation or of another enterprise at the request of such predecessor corporation;

(b) "Proceeding" shall mean any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative; and

(c) "Expenses" shall include, without limitation, all attorneys' fees, costs and any other expenses incurred in the defense of any claims or proceedings against an agent by reason of such agent's position or relationship as agent and all attorneys' fees, costs and other expenses incurred in establishing a right to indemnification under subdivision (e) of Section 5238 of the California Corporations Code.

Section 2. Indemnification and Insurance. The Corporation shall, to the maximum extent permitted by law, indemnify each of its agents against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred by them in connection with any proceeding arising by reason of the fact that any such person is or was an agent of the Corporation.

The Board of Directors may authorize the purchase and maintenance by the Corporation of insurance on behalf of any agent of the Corporation against any liability 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 is empowered to indemnify the agent against such liability under the provisions of this Article VII; provided, however, that the Board of Directors shall have no power to

authorize the purchase and maintenance by the Corporation of such insurance to indemnify any agent of the Corporation for a violation of Section 5233 of the California Corporations Code.

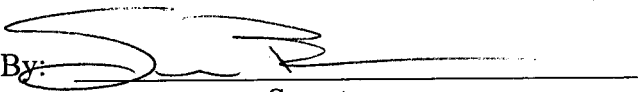
## ARTICLE VIII RECORDS AND REPORTS

Section 1. Maintenance and Inspection of Articles and Bylaws. The Corporation shall keep at its principal executive office the original or a copy of the Articles of Incorporation, Bylaws as amended to date and annual IRS Form 990, which shall be open to inspection by the members at all reasonable times during office hours.

Section 2. Maintenance and Inspection of Other Corporate Records. The Corporation shall keep adequate and correct books and records of account; written minutes of the proceedings of its members, Board, and committees of the Board; and a record of each member's name, their addresses and pertinent information regarding membership status. All such records shall be kept at such place or places designated by the Board of Directors or, in the absence of such designation, at the principal executive office of the Corporation. Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of every kind and the physical properties of the Corporation. The inspection may be made in person or by the director's agent or attorney, and shall include the right to copy and make extracts of documents provided the inspecting party agrees in writing to abide by confidentiality, if required for certain documents.

## ARTICLE IX AMENDMENTS

Section 1. Amendment by Board. Subject to the rights of members under California law, the Board of Directors may adopt, amend or repeal these Bylaws unless the action would materially and adversely affect the members' rights as to voting or transfer.

Adopted By:  Date: 4-5-12  
Secretary