

BYLAWS

of

SOCIAL ADVOCATES FOR YOUTH, SAN DIEGO, INC.

d/b/a SAY SAN DIEGO

A CALIFORNIA NONPROFIT PUBLIC BENEFIT CORPORATION

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ARTICLE I NAME

Section 1.1 Organization Name

The name of this California Nonprofit Public Benefit Corporation is Social Advocates for Youth, San Diego, Inc. dba SAY San Diego, Inc. (hereinafter the "Corporation").

ARTICLE II OFFICES

Section 2.1 Principal Office

The Corporation's principal office shall be fixed and located at such place within the County of San Diego as the Board of Directors (hereinafter the "Board") shall determine. The Board is granted full power and authority to change the Corporation's principal office from one location to another within the County of San Diego.

2.1.1 Other Offices

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

ARTICLE III PURPOSE

Section 3.1 Description in Articles

The Corporation's specific and general purposes are described in its Articles of Incorporation.

ARTICLE IV NO MEMBERS

Section 4.1 No Members

The Corporation shall not have members. Any action which would otherwise by law require approval by a majority of the members or approval by the members shall require only the approval of the Board. All rights which would otherwise by law vest in the members shall vest in the Board.

Section 4.2 Non-Voting Members

The Board may adopt policies and procedures for the admission of associate members or other designated members who shall have no voting rights in the Corporation. Such associate or other members are not “members” of the Corporation as defined in Section 5056 of the California Nonprofit Corporation Law.

ARTICLE V DIRECTORS

Section 5.1 Powers

Subject to the limitations of its Articles of Incorporation and these Bylaws, the Corporation’s activities and affairs shall be conducted and its powers exercised by or under the direction of the Board. The Board may delegate the management of the Corporation’s activities to any person, management company, or committee, however composed, provided that the Corporation’s activities and affairs are ultimately managed, and all corporate powers are ultimately exercised, by or under the direction of the Board. Without prejudice to such general powers, but subject to the same limitations, it is hereby expressly declared that the Board shall have the following powers in addition to those other powers enumerated in these Bylaws and those permitted by law:

- (a) To select and remove the Corporation’s officers and agents, and to prescribe such powers and duties for them as may be consistent with law, the Corporation’s Articles of Incorporation, and/or these Bylaws; and, when necessary, to require from them security for faithful service;
- (b) To conduct, manage, and control the Corporation’s affairs and activities, and to make such rules and regulations therefore as may be consistent with law, the Corporation’s Articles of Incorporation, and/or these Bylaws, as it deems best;
- (c) To adopt, manage, and control the Corporation’s affairs and activities, and to make such rules and regulations therefore as may be consistent with law, the Corporation’s Articles of Incorporation, and/or these Bylaws, as it deems best;
- (d) To adopt, make, and use a corporate seal, and to alter the form of the seal from time to time as it deems best;
- (e) To borrow money and incur indebtedness for the Corporation’s purposes, and to cause to be executed and delivered therefore, in the Corporation’s name such promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and/or other evidences of debt and securities as required therefore;

- (f) To carry on a business or service that produces a profit or social benefit margin and to apply any earned income, subject to any tax withholding, to any public benefit activity, as described in the Articles of Incorporation, and in which the Corporation may lawfully engage;
- (g) To act as trustee under any trust incidental to the principal object of the Corporation, and to receive, hold, administer, exchange, and expend funds and property subject to such trust;
- (h) To acquire by purchase, exchange, lease, gift, devise, bequest, or otherwise, and to hold, improve, lease, sublease, mortgage, transfer in trust, encumber, convey, or otherwise dispose of real and personal property; and
- (i) To assume any obligations, enter into any contracts, or other instruments, and to do any and all other things incidental to or expedient for attainment of, or in furtherance of, the Corporation's purposes.

No assignment, referral, or delegation of authority by the Board or anyone else shall preclude the Board from exercising the authority required to meet its responsibility for the conduct of the Corporation's activities, and the Board shall retain the right to rescind any such delegation.

Section 5.2 Number, Composition, and Term of Directors

5.2.1 Number and Qualifications

The authorized number of Directors shall be between five (5) and twenty-one (21), the exact number to be set by a resolution of the Board. The Board shall consider electing Directors who are or who represent consumers (parents and adults), children/youth, civic leaders and others that could provide a contribution to the Corporation.

5.2.2 Term of Directors

The term of office for each elected Director shall be three (3) years, with the terms of the elected Directors staggered to distribute start and end dates of their terms.

1. The Directors in each group shall hold office until the specified annual meeting and until their respective successors have been elected and qualified.
2. At each annual meeting of the Board, a number of Directors equal to the number of Directors whose terms have expired, because of the staggering of their terms, shall be appointed, elected, or approved.

Section 5.3 Resignation

Subject to the provisions of the California Nonprofit Public Benefit Corporation Law, any Director may resign effective upon giving written notice, by mail or email, to the President of the Board, unless the notice specifies a later time for the effectiveness of the resignation. If the resignation is effective at a future time, a successor may be appointed before the resignation becomes effective so that the successor can take office when the resignation becomes effective. The President is charged to report the resignation at the next regular board meeting.

Section 5.4 Removal

5.4.1 Removal for Cause

The Board may, by resolution, declare vacant the office of a director who:

- (i) Has contemporaneously been declared of unsound mind by an order of court, or convicted of a felony, or been found by final order or judgment of any court to have breached a duty under California Nonprofit Corporation Law; or
- (ii) Attends fewer than 6 of the 8 scheduled regular meetings in the Board's calendar year, unless such absence was otherwise approved, in advance, by the Board. All Directors will be asked to sign an annual attendance agreement.

In addition, the Board may, by a majority vote of the Board, 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.

5.4.2 Removal Without Cause

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

5.4.3 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 the Bylaws and California Nonprofit Corporation Law.

Section 5.5 Vacancies

A vacancy on the Board shall be deemed to exist in the case of the death, resignation, or removal of any Director, or if the authorized number of Directors is increased, or if the number of Directors falls below the authorized range set forth above.

Vacancies on the Board shall be filled in the same manner as those used to select the Director(s) whose offices were vacated, provided, however, that vacancies to be filled by election by Directors may be filled by a majority of the remaining Directors, although less than a quorum, or by a sole remaining Director. Each Director so elected shall hold office until the expiration of the term of the replaced Director and until a successor has been elected and qualified.

ARTICLE VI MEETINGS

Section 6.1 Place of Meetings

Meetings of the Board may be held at the Corporation's principal office, or at any other place within the County of San Diego which has been designated in the notice of the meeting, or if there is no notice of meeting, at any place within the county established from time to time by resolution of the Board.

Section 6.2 Annual Meetings

The Board shall hold an annual meeting for the purpose of organization, selection of officers, election of new Directors, and the transaction of other business.

Section 6.3 Regular Meetings

Regular meetings of the Board, including the annual meeting, shall be held without call or notice on such dates and at such times and places as may be from time to time fixed by the Board.

Section 6.4 Special Meetings

Special meetings of the Board for any purpose(s) may be called at any time by the President of the Board, Secretary of the Board, or any two Directors.

Special meetings of the Board shall be held upon four (4) days' notice to all Directors by first-class mail, or forty-eight (48) hours' notice given personally or by telephone, a voice messaging system or email, provided that Directors have consented to notice by voice mail or email. Any such notice shall be addressed or delivered to each Director at the Director's address as it is shown on the Corporation's records, or as may have been given to the Corporation by the Director for purposes of notice, or, if an address is not shown on the Corporation's records, or is not readily ascertainable by the Corporation's secretary.

Notice by mail shall be deemed to have been given when deposited in the United States mail, postage prepaid. Any other written notice shall be deemed to have been given when personally delivered to the recipient, delivered to a common carrier for transmission, or actually transmitted by the person giving the notice by electronic means (email) to the recipient. Oral notice shall be deemed to have been given when communicated, whether in person, by telephone, or email, or to a person at the office of the recipient whom the person giving the notice reasonably believes will promptly convey it to the intended receiver.

Section 6.5 Quorum

No less than a majority of the Directors shall constitute a quorum. Except as provided in these Bylaws, every act or decision done or made by a majority of Directors present at a meeting duly held, at which a quorum is present, is an act of the Board. 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 such meeting. Directors may not vote by proxy.

Section 6.6 Participation in Meetings by Conference Telephone or Video Conference

Members of the Board may participate in a meeting using a conference telephone, videoconferencing such as Zoom or Teams, or similar communications equipment, as long as all Directors participating in such meeting can hear one another. Participation in a meeting pursuant to this section constitutes presence in person at such meeting.

Section 6.7 Waiver of Notice

Notice of a meeting need not be given to any Director who signs a waiver of notice, gives written consent to holding the meeting, approves the minutes thereof, whether before or after the meeting commences, or who attends the meeting without protesting the lack of notice to a director before or after its commencement. All such waivers, consents, and approvals shall be filed with the Corporation's official records or made a part of the minutes of the Corporation's meetings.

Section 6.8 Adjournment

A majority of the Directors present, whether or not a quorum is present, may adjourn any Directors' meeting to another time and place. If the meeting is adjourned for more than twenty-four (24) hours, notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.

Section 6.9 Action Without Meeting

Any action required or permitted to be taken by the Board may be taken without a meeting if all Directors shall individually or collectively consent in writing to such action, including by email. Such consent(s) shall have the same effect as a unanimous vote of the Board and shall be filed with the minutes of the proceedings of the Board.

Section 6.10 Rights of Inspection

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

Section 6.11 Fees and Compensation

Elected Directors shall not receive any compensation for their services; however, the Board may approve the reimbursement of a Director's actual and necessary expenses incurred when conducting the Corporation's business. The Corporation may carry liability insurance respecting the conduct of its business by its directors.

Section 6.12 Restriction on Interested Directors

Not more than forty-nine percent (49%) of the persons serving on the Board at any time may be interested persons. An interested person is:

- (a) any person being compensated by the Corporation for services rendered to it within the previous twelve (12) months, whether as a full-time or part-time employee, independent contractor, or otherwise; and
- (b) any brother, sister, ancestor, descendant, spouse, brother-in-law, mother-in-law, or father-in-law of any such person. However, any violation of the provisions of this section shall not affect the validity or enforceability of any transaction entered into by the Corporation.

Section 6.13 Standards of Care

A Director shall perform his/her duties, including duties as a member of any committee of the Board on which the Director may serve, in good faith, in a manner such Director believes to be in the best interests of the Corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like situation would use under similar circumstances.

- (a) In performing the duties of a Director, he/she shall be entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, in each case prepared or presented by:

1. One or more officers or employees of the Corporation whom the Director believes to be reliable and competent in the matters presented.
 2. Legal counsel, independent accountants, or other persons as to matters which the Director believes to be within such person's professional or expert competence; or
 3. A committee of the Board upon which the Director does not serve, as to matters within its designated authority, which committee the Director believes to merit confidence, so long as, in any such case, the Director acts in good faith, after reasonable inquiry when the need therefore is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.
- (b) Except with respect to assets which are directly related to the Corporation's charitable programs, when investing, reinvesting, purchasing, acquiring, exchanging, selling, and/or managing the Corporation's investments, the Board shall avoid speculation, looking instead to the permanent disposition of the funds by considering the probable income to be derived from the investment in light of the probable safety of the Corporation's capital. The Corporation shall also comply with the express terms of an instrument or agreement pursuant to which the assets were contributed to the Corporation, provided that said instrument or agreement complies with the Corporation's Investment Policy.

ARTICLE VII OFFICERS

Section 7.1 Officers

The Corporation's officers shall be a president, first vice president, second vice president, immediate past-president, secretary, treasurer, and chief executive officer. Except for the chief executive officer, all Directors shall be nominated and selected by the Board.

Section 7.2 Terms of Officers

All elected officers shall hold office for one year, or until their successors are duly elected or appointed as provided by these Bylaws. In the event that any office becomes vacant for any reason whatsoever, the vacancy shall be filled forthwith by the Board of Directors. The Corporation may also have at the discretion of the Board, such other officers as may be elected or appointed in accordance with these Bylaws. All officers except the CEO and those elected or appointed under Section 7.4 must be Directors. Any number of offices may be held by the same person, except that neither the secretary nor the treasurer may serve concurrently as the president or chairman of the Board.

Section 7.3 Election

The Corporation's officers, except those as may be elected or appointed in accordance with the provisions of these Bylaws, shall be chosen at the annual meeting by and shall serve at the pleasure of the Board, and shall hold their respective offices until their resignation, removal, or other disqualification from service, or until their respective successors shall be elected.

Section 7.4 Subordinate Officers

The Board may elect such other officers as the business of the Corporation 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 may from time to time determine.

Section 7.5 Removal

Any officer may be removed, either with or without cause, by the Board at any time, or, except in the case of an officer chosen by the Board, by any officer upon whom such power of removal may be conferred by the Board. Any such removal shall be without prejudice to the rights, if any, of an officer under any contract of employment.

Section 7.6 Resignation

Any officer may resign at any time by giving written notice to the Board, but without prejudice to the rights, if any, of the Corporation under any contract to which the officer is a party. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 7.7 Vacancies

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 election or appointment to such office, provided that such vacancies shall be filled as they occur and not on an annual basis.

Section 7.8 President

The president shall preside at the executive committee and all meetings of the Board, and is responsible for setting the agendas, ensuring adherence to these Bylaws, and shall have such other powers and duties as may be prescribed from time to time by the Board.

Section 7.9 First Vice President

The first vice president shall carry out such special assignments as are requested by the president. In the president's absence, the first vice president shall preside at Board meetings. The first vice president shall understand the responsibilities of the president and be prepared to perform those duties in the president's absence. The first vice president shall be a vital part of the Board's leadership and shall perform such other duties and possess such other powers as may be prescribed from time to time by the Board.

Section 7.10 Second Vice President

The second vice president shall carry out such special assignments as are requested by the president or first vice president. In the event that the president and first vice president are both absent, the second vice president shall preside at Board meetings. The second vice president shall understand the responsibilities of the president and be prepared to perform those duties as described above. The second vice president shall be a vital part of the Board's leadership and shall perform such other duties and possess such other powers as may be prescribed from time to time by the Board.

Section 7.11 Immediate Past President

The immediate past president shall carry out such special assignments as requested by the president. The immediate past president serves as a resource to the president and first vice president and shall be a vital part of the Board's leadership. This position and shall perform such other duties and possess such other powers as may be prescribed from time to time by the Board.

Section 7.12 Chief Executive Officer/CEO

The chief executive officer (CEO) shall be hired by the Board and be an employee of the Corporation. The chief executive officer shall be an ex-officio voting member of the Board. The CEO's status shall be reauthorized during a regular annual meeting of the board each year. The CEO is the Corporation's executive manager and has, subject to the control of the Board, general supervision, direction, and control of the Corporation's business and affairs. The CEO has the general powers and duties of management usually vested in the office of CEO and shall have such other powers and duties as may be prescribed from time to time by the Board and shall carry out and oversee the Corporation's day-to-day activities, operations and endeavors. The CEO shall, in conjunction with the Corporation's treasurer, develop financial plans for raising and spending the Corporation's assets, and the CEO shall be the primary link between the Board and the community for the Corporation's agencies, programs, and services.

Section 7.13 Secretary

The secretary shall keep, or cause to be kept, at the Corporation's principal office, or such other place as the Board may order, a book or electronic record of minutes of all meetings of the Board and its committees, with the time and place of holding, whether regular or special, and if special, how authorized, the notice thereof given, the names of those present and absent, and the proceedings thereof. The secretary shall keep, or cause to be kept, at the principal office in the State of California, the original or a copy of the Corporation's Articles of Incorporation and Bylaws, as amended to date, and a register showing the current names of all Directors and their respective addresses. The secretary shall keep or cause to be kept the Corporation's seal and shall affix the same on such papers and instruments as may be required in the regular course of business, but failure to affix it shall not affect the validity of any instrument. The secretary shall also make and file all reports required by regulation or law. In the event of the absence or disability of the president, first vice president, second vice president, and immediate past president, the secretary shall preside at Board meetings.

The secretary shall give, or cause to be given, notice of all Board and committee meetings thereof required by these Bylaws and shall distribute the minutes of meetings of the Board to all Directors promptly after the meetings. The secretary shall see that all reports, statements, and other documents required by law are properly kept or filed, confidentially, except to the extent the same are to be kept or filed by the treasurer. In general, the secretary shall have such other powers and perform such other duties as may be prescribed from time to time by the Board.

Section 7.14 Treasurer

The Corporation's treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct financial accounts of the Corporation's properties and business transactions, including accounts of its assets, liabilities, receipts, and disbursements. The books of account shall always be open to inspection by any of the Corporation's Directors.

The treasurer shall deposit, or cause to be deposited, all moneys and other valuables in the name and to the credit of the Corporation with such depositaries as may be designated from time to time by the Board. The treasurer shall disburse or cause to be disbursed the Corporation's funds as may be ordered by the Board, and shall render to the chairperson and Directors, upon request, an account of all transactions as treasurer and of the Corporation's financial condition. The treasurer shall present to the Board at all regular meetings an operating statement and report since the last preceding regular meeting of the Board. The treasurer will also be responsible for presenting the Corporation's annual operating budget to forecast each coming fiscal

year. The treasurer shall have such other powers and perform such other duties as may be prescribed from time to time by the Board.

ARTICLE VIII COMMITTEES

Section 8.1 Board Committees

The Board may, by annual resolution, create one or more standing or *ad hoc* committees, each consisting of at least two (2) Directors, to serve at the pleasure of the Board. Appointments to such Board committees shall be, by majority vote of the Directors then in office and the chairpersons of such Board committees shall be appointed by the President. Unless otherwise provided in these Bylaws, or by the laws of the State of California, each committee shall have all of the authority of the Board to the extent delegated by the Board, except that no committee, regardless of Board resolution, may:

- (a) Fill vacancies on the Board of Directors, or on any committee which has the authority of the Board;
- (b) Amend, repeal, or adopt new Bylaws;
- (c) Amend or repeal any resolution of the Board which by its express terms is not so amendable or subject to repeal;
- (d) Appoint any other committees of the Board, or the members thereof;
- (e) Spend corporate funds to support a nominee or applicant for Director;
- (f) Approve any self-dealing transaction;
- (g) Authorize the disposal of any cash or other assets in excess of \$25,000;
- (h) Authorize any indebtedness in excess of \$10,000; or
- (i) Approve any action for which the law requires the approval of the Board.

Section 8.2 Meetings and Action of Board Committees

Meetings and actions of Board committees shall be governed and held in accordance with the provisions of these Bylaws concerning meetings of the Board, with such changes in the context of those provisions as are necessary to substitute the committee and its members for the Board and its Directors, except that the time of regular meetings of the committees may be determined either by resolution of the Board or by resolution of the committee. Special meetings of committees may also be called by resolution of the Board. Notice of special meetings of Board committees shall also be given to any and all individuals who shall have the right to attend all meetings of the committee. The Board may adopt rules for the government of any Board committee not inconsistent with the provisions of these Bylaws. Staff may advise Board committees from time to time, yet are not to be considered committee members.

Meetings of a committee may be called by the Board President and/or CEO, the chairperson of the committee, or a majority of the committee's voting members. Each committee shall meet as often as is necessary to perform its duties. Notice of a meeting of a committee may be given at any time and in any manner reasonably designed to inform the committee members of the time and place of the meeting. A majority of the voting members of a committee shall constitute a quorum for the transaction of business at any meeting of the committee. Each committee shall keep minutes of its proceedings and shall report periodically to the Board. A committee may take action by majority vote.

Section 8.3 Executive Committee

The Executive Committee is a standing committee composed of the Corporation's officers, the CEO, and one additional Director selected by the President. When the Board is not in session, the Executive Committee shall have the power and authority of the Board to transact all regular business of the Corporation, subject to any prior limitation imposed by law, the Board, or these Bylaws. Actions of the Executive Committee require a majority vote, provided a quorum of committee members (5 of 8) are present. The Executive Committee shall report to the next Board meeting all actions taken.

Section 8.4 Nonprofit Integrity Act Audit Committee

In any fiscal year in which the Corporation receives or accrues gross revenues of two million dollars (\$2,000,000) 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/employees of the Corporation, including, if staff members or employees, the President or CEO, or the Treasurer or chief financial officer (CFO). Subject to the supervision of the Board, the Audit Committee shall:

1. Make recommendations to the Board on the hiring and firing of the CPA;

2. Confer with the CPA to satisfy Audit Committee members that the financial affairs of the Corporation are in order;
3. 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
4. If requested by the Board, negotiate the CPA's compensation on behalf of the Board.

Section 8.5 Other Committees

The President, subject to limitations imposed by the Board, may create other committees, either standing, *ad hoc*, or special, to serve the Board, but which do not have the powers of the Board. The President, with the approval of the Board, shall appoint directors and others to serve on such committees, and shall designate committee chairpersons. Each participant in a committee shall continue as such until the next annual election of officers or until his or her successor is appointed, unless the individual shall sooner resign or be removed from the committee.

Section 8.6 Resigning from a Committee

Any member of a committee may resign at any time by giving written notice to the chairperson of the committee or to the President and/or CEO. Such resignation, which may or may not be made contingent upon formal acceptance, shall take effect upon the date of receipt or at any later time specified in the notice. The Board President may, with prior approval of the Board, remove any appointed person from an advisory committee.

Section 8.7 Committee Vacancies

A vacancy in any committee or any increase in the membership thereof shall be filled for the unexpired portion of the term by the Board President with approval of the Board.

ARTICLE IX INTERESTED PARTIES

Section 9.1 Definition

An interested party transaction is a transaction to which the Corporation is a party and in which one or more of the Directors ("interested Directors") has a material financial interest, except that the following transactions will not be deemed interested party transactions, but instead are subject to the Board's general standard of care:

- (i) A transaction which is part of a public or charitable program of the Corporation if the transaction is (1) approved or authorized by the Corporation in good faith and without unjustified favoritism, and (2) results in a benefit to one or more Directors or their families because they are in a class of persons intended to be benefited by the program;
- (ii) A transaction of which the interested Director or Directors have no actual knowledge, and which does not exceed the lesser of one percent (1%) of the gross receipts of the Corporation for the preceding fiscal year or One Hundred Thousand Dollars (\$100,000).

Section 9.2 Action of the Board

If a transaction is thought to be an interested party transaction, the interested Director has the burden of showing the following to sustain the validity of the transaction:

- (a) That prior to consummating the transaction or any part thereof the Board authorized or approved the transaction in good faith by vote of a majority of the Directors then in office without counting the vote of the interested Director or Directors and with knowledge of the material facts concerning the transaction and the Director's interest in it. Except as provided in Section 10.4, action by a committee of the Board will not satisfy this requirement.
- (b) That either:
 - 1. Prior to authorizing or approving the transaction, the Board considered and in good faith determined after reasonable investigation under the circumstances that the Corporation could not have obtained a more advantageous arrangement with reasonable effort under the circumstances; or
 - 2. The Corporation in fact could not have obtained a more advantageous arrangement with reasonable effort under the circumstances.
- (c) That the Corporation entered into the transaction for its own benefit.
- (d) That the transaction was fair and reasonable as to the Corporation at the time it entered into the transaction.

Section 9.3 Interested Director's Vote

In determining whether the Board had validly met to authorize or approve an interested party transaction, interested Directors may be counted in determining the presence of a quorum, but an interested Director's vote cannot count toward the required majority for such authorization, approval, or ratification.

Section 9.4 Committee Approval

The Executive Committee may approve an interested party transaction in a manner consistent with the standards prescribed for approval by it if it was not reasonably practical to obtain approval of the full Board prior to entering into the transaction, the Board determines in good faith that the committee met the same requirements the Board would have had to meet in approving the transaction, and the Board ratifies the transaction at its next meeting by vote of a majority of the Directors then in office without counting the vote of the interested Director or Directors.

Section 9.5 Prior Approval by the Attorney General

Remedies specified in the law for an improper interested party transaction are not available if the Attorney General of the State of California approves the transaction before its consummation. The Corporation may seek the approval of the Attorney General by application setting forth all relevant and material facts.

Section 9.6 Persons Liable and Extent of Liability

If an interested party transaction has not been approved, as provided above, the interested Director or Directors may be required to do such things and pay such damages as in the discretion of a court will provide an equitable and fair remedy to the Corporation, taking into account any benefit received by it, whether the interested Director or Directors acted in good faith, and whether they acted with the intent to further the Corporation's best interests.

Section 9.7 Statute of Limitations

An action to remedy an improper interested party transaction, brought by a proper party to remedy an improper self-dealing transaction, must be commenced either:

- (i) Within two (2) years after written notice setting forth the material facts of the transaction was filed with the Attorney General in accordance with the Attorney General's regulations; or
- (ii) If no such notice is filed, within ten (10) years after the cause of action accrued.

Section 9.8 Corporate Loans and Advances

The Corporation shall not loan money, property, or guarantee the obligation of any Director, officer, or agent unless the loan or guarantee has been approved by the Attorney General of the State of California; however, the Corporation may advance money to a Director, officer, or agent for expenses reasonably anticipated to be incurred in the performance of their duties.

Section 9.9 Annual Statement of Certain Transactions

An annual statement shall be furnished to the Directors for any fiscal year in which a transaction or indemnification described in subsections (a) or (b) below took place:

- (a) A transaction in which the Corporation or a subsidiary was a party and a director or officer of the Corporation or a subsidiary or a holder of more than ten percent (10%) of the voting power of the Corporation or a subsidiary had a direct or indirect material financial interest; or
- (b) Any indemnification or advances aggregating more than Ten Thousand Dollars (\$10,000) paid during the fiscal year to any officer or Director of the Corporation or a subsidiary.

Such statement shall be mailed or delivered to the Directors within one hundred twenty (120) days after the close of the Corporation's fiscal year.

ARTICLE X OTHER PROVISIONS

Section 10.1 Validity of Instruments

Subject to the provisions of applicable law, any note, mortgage, evidence of indebtedness, contract, conveyance, or other instrument in writing, and any assignment or endorsement thereof, executed or entered into between the Corporation and any other person, when signed by the chairperson or chairperson elect, and the secretary or treasurer, shall be valid and binding on the Corporation in the absence of actual knowledge on the part of the other person that the signing officers had no authority to execute the same. Any such instruments may be signed by any other person authorized by the board to do so; however, unless so authorized by the Board, no Director, officer, or agent shall have any power or authority to bind the Corporation by contract, engage or pledge its credit, or render it liable for any purpose or amount.

Section 10.2 Construction and Definitions

Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the General Provisions of the California Nonprofit Corporation Law shall govern the construction of these Bylaws. Words in these Bylaws shall be read as the masculine or feminine gender, and as the singular or plural, as the context requires. The captions and headings in these Bylaws are for convenience only and are not intended to limit or define the scope or effect of any provision.

Section 10.3 Fiscal Year

The Corporation's fiscal year shall begin the first day of July and end the last day of June of each year.

Section 10.4 Conflict of Interest

Any Director, officer, or agent having an interest in a contract or other transaction presented to the Board or a committee for authorization, approval, or ratification shall make a prompt, full, and frank disclosure of his interest to the Board or committee prior to its acting on such contract or transaction. Such disclosure shall include any relevant and material facts, known to such person, about the contract or transaction which might reasonably be construed to be adverse to the Corporation's interests. The body to which such disclosure is made shall thereupon determine, by majority vote, whether the disclosure shows that a conflict of interests exists or can reasonably be construed to exist.

If a conflict is deemed to exist, such person shall not vote on, or use personal influence on, or participate (other than to present factual information or to respond to questions) in the discussion or deliberations with respect to such contract or transaction. The minutes of the meeting shall reflect the disclosure made, the vote thereon and, where applicable, the abstention from voting and participation.

The Board has adopted conflict of interest policies requiring:

- (i) Regular annual statements from Directors and officers to disclose existing and potential conflicts of interest; or
- (ii) Corrective and disciplinary actions with respect to transgressions of such policies.

For the purpose of this Section, a person shall be deemed to have an "interest" in a contract or other transaction if he is the party (or one of the parties) contracting or dealing with the Corporation, or is a Director, trustee or officer of, or has a significant financial or influential interest in, the entity contracting or dealing with the Corporation.

ARTICLE XI INDEMNIFICATION AND INSURANCE

Section 11.1 Indemnification

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

the Corporation. For purposes of this Section, an "agent" of the Corporation includes any person who is or was a Director, officer, employee, or other agent of the Corporation, or is or was serving at the request of the Corporation 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 which was predecessor corporation of the Corporation or of another enterprise at the request of such predecessor corporation.

Section 11.2 Insurance

The Corporation may purchase and maintain insurance on behalf of any agent of the Corporation against any liability asserted against or incurred by the agent in such capacity, or arising out of the agent's status as such whether or not the Corporation would have the power to indemnify the agent against such liability under provisions of this Article, except for insurance to indemnify any agent of the Corporation for a violation of self-dealing transactions.

ARTICLE XII AMENDMENTS

Section 12.1 Bylaws

These Bylaws will be reviewed at least once every four (4) years and documented as to date of review. New Bylaws may be adopted, or these Bylaws may be amended or repealed by resolution or adoption, in whole or in part, by two-thirds (2/3) vote of the Board, provided written notice of such proposed amendment has been given to the Board at least two weeks before the date of the meeting for the vote upon the proposed amendment.

Additionally, said amendment must be in conformity with the Corporation's tax-exempt purposes and the Internal Revenue Code in effect at the time of the amendment.

CERTIFICATE OF SECRETARY

I certify that I am the elected and acting Secretary of Social Advocates for Youth, San Diego, Inc., a California Nonprofit Public Benefit Corporation; that these Bylaws, consisting of 19 pages, are the Bylaws of this Corporation as adopted by the Board of Directors on October 17, 2023; and that these Bylaws have not been amended or modified since that date.

Executed at San Diego, California, by

Dhalia Balmir, Secretary of the Board of Directors