

**BYLAWS OF
NAPA VALLEY HORSEMEN'S ASSOCIATION**

ARTICLE I.

NAME, PLACE OF BUSINESS

Section 1. Name:

This Corporation shall be known as the Napa Valley Horsemen's Association (referred to herein as "NVHA") a non-profit organization incorporated under the laws of and chartered by the State of California.

Section 2. Place of Business:

The place of business will be Napa, Napa County, California.

ARTICLE II.

PURPOSE and MISSION STATEMENT

The NVHA was founded in 1939 as a California nonprofit corporation intended to qualify for exemption under Internal Revenue Code ("Code") section 501(c)(7) as a club organized for pleasure, recreation, and other non-profitable purposes, substantially all of the activities of which are for such purposes and no part of the net earnings of which inure to the benefit of any private shareholder. The NVHA is a community-based organization dedicated to the purpose of promoting equitation, horsemanship, and fellowship in the care of horses and other animals. The NVHA operates in a manner intended to comply with the California Nonprofit Mutual Benefit Corporation law and to maintain its Federal tax exemption under Code Section 501(c)(7). The NVHA maintains a club house, arenas, and boarding facilities in pursuing these purposes.

Specific activities of the NVHA include teaching disadvantaged youth the principles of animal husbandry, providing scholarships to students resident in Napa County, and supporting community events, clinics, shows, as well as hosting fundraisers for unrelated nonprofit organizations.

The NVHA maintains affiliation with other nonprofit organizations, including those whose exempt purposes include animal rescue, adoption, and care.

ARTICLE III.

BOARD OF DIRECTORS, OFFICERS, TERMS OF OFFICE

Section 1. Board of Directors:

The Board of Directors shall consist of (a) the then-serving General Directors, (b) the individual who last served as President of NVHA, and (c) *ex officio*, the individuals then serving as the President, Vice-President, Secretary, Treasurer, and Membership Secretary of the Corporation, provided that the total Directors serving at any given time shall not be less than twelve (12) nor more than fourteen (14).

Section 2. General Directors:

The authorized number of General Directors of the NVHA shall be not less than six (6) nor more than eight (8), the exact authorized number to be fixed, within these limits, by resolution of the General Directors.

Section 3. Ex Officio Directors:

During his or her term of office, the individual then serving as President shall serve on the Board of Directors in a non-voting capacity.

Section 4. Terms of Offices for General Directors:

The term of office for the General Directors shall be three (3) years. The election of General Directors shall be staggered such that one-third (1/3) of the General Directors will be elected each year. At the first election under these Bylaws, two (2) General Directors shall be elected for one (1) year, two (2) General Directors shall be elected for two (2) years, and two (2) General Directors shall be elected for three (3) years. These terms are to commence on the January 1st at 12:01 am PST following the date of the meeting at which they are elected as General Directors.

Each General Director shall be installed with the oath of office at the Installation Dinner. Should any member not complete their term of office, a special election will be held to elect a Replacement General Director, to serve throughout the term of the General Director who the Replacement General Director is replacing. Any General Director or who misses three (3) consecutive Board Meetings during the year shall relinquish his or her office and be replaced by Special Election at the next regular meeting. In the event a majority of the General Directors determine that good cause exists to do so (by secret ballot where a quorum is present), the removal of a General Director due to having missed three consecutive Board Meetings, may be waived.

Section 5. Terms of Offices for Officers:

All Officers shall serve one-year terms, beginning on January 1st at 12:01 a.m. PST of the year immediately following the date of the December Annual Meeting at which they were elected and ending on January 1st at 12:00 a.m. of the following year. The newly elected Officers

(and the Immediate Past President) shall be installed with the oath of office at the Installation Dinner and shall be considered “Officers Elect” until January 1st. They shall hold office until the installation of their successors the following year. Any Officer who misses three (3) consecutive Board Meetings during the year shall relinquish his or her office and be replaced by Special Election at the next regular meeting of the Board. In the event a majority of the General Directors determine that good cause exists to do so (by secret ballot where a quorum is present), the removal of an Officer due to having missed three consecutive Board Meetings, may be waived.

ARTICLE IV.

NOMINATIONS AND ELECTIONS

Section 1. Nominations:

The President shall form a committee of no less than three (3) Members to recommend a slate of Officers and General Directors. The proposed slate of Officers and General Directors shall be sent to all members prior to the November regular meeting. Nominations may be made from the floor during the November regular meeting. A Member whose name has been placed in nomination need not be present at the meeting, but written evidence of his or her willingness to accept the office must be presented to the Secretary before election. The names of all nominees who have failed to give verbal notice of acceptance at the November meeting or absent members who have failed to submit written notice of acceptance before election shall be deleted from the ballot. The name of a member shall be placed in nomination as a candidate for no more than one office (including as General Director) in any given election.

Section 2. Qualifications – General Directors and Officers.

a. To be installed as an Officer or General Director, an individual must have been an Active Member of NVHA for at least twelve (12) months prior to the date on which such individual will be installed as an Officer or General Director.

b. To be installed as President, an individual must have been an Officer or General Director for at least twelve (12) months prior to the date on which such individual will be installed as President.

c. No two (2) persons who are married or otherwise partnered with one another, may serve concurrently either on the Board of Directors or on any committee of the Board (with the exception of social committees).

Section 3. Elections:

a. Time: The election of all Officers and General Directors shall be held at the December Annual meeting of the Membership.

b. Ballot: All Officers and General Directors shall be elected by majority vote of the Members, conducted by secret ballot.

c. Tie Vote: In the event of a tie vote for any office, only the names of those candidates who have the same number of votes shall be placed before the membership for a new vote. In case of a second tie, the President shall cast the deciding vote.

d. Election by Acclamation: When there is but one candidate for an office, it will not be necessary to cast a secret ballot for his or her election. By a motion duly made, seconded, and carried, the Secretary may be instructed to cast the ballot for all the members present electing the candidate by acclamation.

e. Campaigning is permitted before and up to the time of voting. Any campaigning that constitutes a violation in the code of conduct shall result in the disqualification of the nominee standing to gain by such a campaign.

Section 4. Vacancies on the Board of Directors:

a. If a position on the Board of Directors becomes vacant, the President shall call for a special election to elect a person to hold office for the unexpired term of his or her predecessor. Nominations shall be taken from the floor at the first regular meeting after the position becomes vacant. The special election shall be held at the following regular meeting, using the election procedures (other than timing) specified in Section 3 above.

b. The elected director(s) will begin at the conclusion of the election, upon taking the oath of office.

ARTICLE V.

QUALIFICATIONS AND DUTIES OF OFFICERS

Section 1. President:

a. No member shall be eligible for the office of President who has not first been an Officer or General Director for at least twelve (12) consecutive months.

b. The President shall preside at all regular and special meetings of the membership, and at all meetings of the Board of Directors, as a Director *ex officio*. The President shall also appoint all standing committees for the year, subject to the approval of the Board of Directors. The standing committees shall be appointed at the first Board of Directors meeting attended by the incoming officers. The President shall appoint special committees to attend to special duties as he or she sees fit, with full authority to create or discharge said committees at any time.

c. Upon completion of the President's term, he or she shall automatically become the Immediate Past President for the following term until a different President is elected. If for any reason the Immediate Past President is unable to fulfill the duties of the Immediate Past President (including as a Director *ex officio*), an additional director shall be elected by special election to substitute for the Immediate Past President until the next regular election.

e. The President may attend any or all committee meetings as a committee member *ex officio*.

Section 2. Vice President:

a. The Vice-President shall act as Program Chairman.

b. The Vice-President shall attend all meetings of the Board of Directors as a member *ex officio* and shall preside at such meetings in the absence of the President.

c. The Vice-President shall coordinate and work with social affairs committees.

d. The Vice-President shall maintain an inventory of all keys issued throughout his or her term. At the end of his or her term, the Vice-President shall transfer all keys and the inventory of them to the Vice-President elect (or to such other person(s) as directed by the Board of Directors).

e. The Vice President shall be responsible for acquiring year end awards. The budget for the awards shall be determined at the September board meeting previous to the date on which the awards are issued.

Section 3. Secretary:

a. The Secretary shall keep records of the minutes of the regular and special meetings of the membership, and of all meetings of the Board of Directors.

b. The Secretary shall attend the meetings of the Board of Directors to counsel with them as member *ex officio* and to act as Secretary of that body.

Section 4. Treasurer:

a. The Treasurer shall be bonded by a responsible bonding company, the sum of such surety bond to be determined by the Board of Directors and the expense of such bond to be paid by the NVHA. The Board of Directors shall have full power to change such sum from time to time as it determines in its sole discretion.

b. The Treasurer shall be responsible for receiving all monies or other property paid or payable to NVHA; for maintaining accurate records of such monies received; for depositing all such monies in the bank account designated by the Board of Directors; for issuing all checks authorized by the membership, the Board of Directors, or the President, as appropriate; for paying the monthly bills on a current basis; and for maintaining an accurate up-to-date inventory of all physical properties of the NVHA.

c. The Treasurer shall attend all meetings of the Board of Directors and counsel with them as a member *ex officio*.

d. The Treasurer shall prepare and record all state and federal reports as prescribed by law.

e. The Treasurer shall make a monthly financial report to the membership at each regular meeting and shall furnish the Secretary with a copy of such report.

f. Within ___ days of the end of NVHA's calendar year, the Treasurer shall prepare for delivery to the President and the Board of Directors (and to any member upon written request) an annual financial report. Upon receipt of such annual financial report, the President shall appoint a committee to audit and review the books.

Section 5. Membership Secretary:

a. The Membership Secretary shall collect all dues and send statements when due; shall maintain a record of paid memberships and continually update the membership roster; receive all membership applications and process them in a timely manner; send a new member orientation packet to each new member; give a membership report at board meetings; and track attendance at meetings.

b. The Membership Secretary shall turn over all monies collected to the Treasurer, giving an accurate record to the Treasurer and keeping a duplicate. This shall be signed by the Treasurer, as having received such money. These records shall be kept by both the Membership Secretary and the Treasurer for auditing purposes.

ARTICLE VI.

FUNCTIONS OF THE BOARD OF DIRECTORS

Section 1. Call for Meetings

Meetings as described in Article VIII shall be attended by members of the Board of Directors, including the *ex officio* members. Regular meetings or board meetings not scheduled or rescheduled shall be called by the President or in the absence of the President, by the Vice-President. The President shall instruct the Secretary to notify the members of the Board of the time and place of the meeting. Such notice shall be in writing (including by email or text) unless all members can be contacted in person or by telephone within the time period prescribed by the type and content of the meeting, provided that notice left via voicemail shall not be considered as having satisfied this requirement.

Section 2. Action Without a Physical or Virtual Meeting

Any action required or permitted to be taken by the board may be taken without a meeting if all directors individually or collectively consent in writing to that action. Such consent or consents shall be filed with the Minutes of the proceedings of the Board of Directors.

Section 3. Transaction of Business:

a. It shall be the duty of the Board of Directors to conduct all NVHA business transactions referred to it by the general membership or President.

b. The Board of Directors has the authority to spend, or to authorize an Officer to spend, up to \$2,000.00 in a single transaction. Any transactions over \$2,000.00 that do not appear on an approved budget shall be submitted to the membership for their consideration pursuant to Article VI, section 5 of these Bylaws.

c. Any checks in amounts exceeding One Thousand (\$1,000) dollars issued by the NVHA shall require the signatures of any two (2) of the following Officers: President, Vice-President, Secretary or Treasurer. The signature card for every NVHA account shall contain the signatures of all four (4) Officers listed above.

d. There shall be a revolving discretionary fund in the amount of Two Hundred Dollar (\$200.00) with an annual maximum of Four Hundred Dollars (\$400.00) to be made available to the President (for NVHA expenditures) without Board approval. Receipts and/or cancelled check(s), or a written explanation must be provided to the Treasurer and declared at the following Board Meeting to justify expenditures(s).

Section 4. Conflict of Interest Policy.

a. Any member of the Board who has a financial, personal, or official interest in matters that prevent or may prevent that member from acting on NVHA business in an impartial manner, will voluntarily recuse him or herself and refrain from voting on said business.

b. No director shall cast a vote, nor take part in the *final* deliberation once a motion has been made in any matter in which he or she, members of his or her immediate family, or any organization to which such director has allegiance or has a personal interest that may be seen as competing with the interest of the NVHA.

c. If a director believes they may have a conflict of interest with respect to any transaction or proposed action of the Corporation, such director shall notify the Board prior to deliberation on the matter in question.

d. The Board shall make the final determination as to whether any director has a conflict of interest in any matter.

e. The minutes of the Board meeting shall reflect disclosure of any conflict of interest and the recusal of the interested director.

Section 5. Procedures Where Major Expenditures Are Proposed:

a. For the purpose of this Section a "Major Expenditure" is defined as an expenditure that exceeds Two Thousand Dollars (\$2,000.00) for a single purpose or item of purchase, and which expenditure was not either (i) a budgeted item on the current year budget or (ii) occasioned or required by an emergency situation.

b. A motion to propose a major expenditure shall be advanced preliminarily at a regular meeting of the Membership or of the Board of Directors, and shall be published in NVHA's monthly newsletter.

c. The motion may be debated and shall be voted upon by the Membership at the next regular meeting of the Membership. The approval of a simple majority of the Members present at a meeting at which such a motion is entertained shall be required to approve any such major expenditure.

d. Members can vote to withdraw up to 50% of the NVHA's investment account's previous year's yield for club expenses. For example, if the account yielded \$5,000 in 2021, members could vote to withdraw up to \$2,500 (minus any taxes or fees for withdrawal) in 2022 for club expenses. Prior to voting on the motion to withdraw funds, the notice must be printed in the newsletter for two consecutive months and then voted on at the next regular meeting. Approval requires a yes vote by two-thirds of the general membership in attendance at the meeting.

e. The principal in the account will remain untouched (intact) unless there is an emergency need for funds. Any other proposed withdrawals from the investment account must be printed in the newsletter for two consecutive months and then voted on at the next regular meeting of the Membership. Approval for such withdrawal requires a yes vote by two-thirds of the general membership in attendance at the meeting.

Section 6. Audits:

a. The President shall direct that the books and records of the Corporation be audited by an independent CPA (i) in any year in which a major item of income or expenditure occurs or (ii) in any event, no less frequently than once in every five (5) year period.

b. The President shall appoint a committee to oversee an annual audit.

c. At his or her discretion, the President may appoint a committee to audit the books of any NVHA function at the conclusion of that function.

Section 7. Judicial Board

The NVHA is committed to a policy of no harassment or abuse of any kind of its members, guests, or participants. Any such behavior shall be addressed by the Board of Directors in the following manner:

a. The Board of Directors shall, when the occasion arises, sit as a Judicial Board for the purpose of hearing complaints or charges of misconduct.

b. Charges against any member or group of members of misbehavior including violation of the code of conduct or engagement in operations contrary to or undermining the general interest of the organization shall be made in writing and presented to the President as a request for determination of judicial hearing.

c. The President may appoint up to three board members who are deemed neutral within reason to those being charged or those charging misbehavior to investigate the charges. This process shall be completed in a period of time determined by the President.

d. The investigation should include talking to those charging and those being charged including any witnesses. The investigators will then report their findings along with the written charges to the Board of Directors.

e. Any director who has a conflict of interest with respect to the matter shall be recused. The President will then ask the Board to vote on whether or not to have a hearing. If a 2/3 majority of the board votes against a hearing the President shall inform those charging and being charged of the reason for the Board's decision and that the matter is closed.

f. If the board votes for a hearing the procedures shall be as follows: The President, acting as presiding officer, shall call the complaining witness(s) to state his, her, or their charges. These charges must be made in writing, read by the Secretary, and signed by two or more members in good standing.

g. When all evidence of the complaining witness(s) has been heard, the accused member or members are to be given an opportunity to answer the charge(s). If necessary, a reasonable period of time, not to exceed 14 days, must be given the accused to produce evidence necessary to his, her, or their defense. Upon hearing the testimony and evidence on both sides, the Board may retire to discuss the evidence and determine whether the claim is sustained, unfounded or exonerated.

h. The Board may then call in the principals and announce their findings, or they may choose to dismiss the principals and notify them of their decision in writing within 1 day. As a consequence of the hearing the decision of the Board may be to censure, to suspend or to terminate the membership of the offending principal(s) or to dismiss the charges. A censure or warning can only be given once. Abuse of this procedure such as repeated unsubstantiated accusations may itself be subject to judicial process.

**ARTICLE VII.
MEMBERSHIP, DUES, INITIATION FEES, APPLICATION
FOR MEMBERSHIP AND
VOTING ON APPLICATIONS FOR MEMBERSHIP**

Section 1. Regular Membership

a. Membership in the NVHA is open to all adult persons and their children, dependents, and wards. Members under the age of 18 are juniors and do not have voting privileges. Juniors may not apply for a membership on their own, however, they may be included in the application of their parent(s) or guardian(s).

b. Application for New Membership:

I. Prospective Members must attend at least one meeting before presenting their application for membership, however, if only one spouse of a married

couple is unable to attend such a meeting, an application by both spouses may be submitted for consideration.

II. A person applying for membership must (A) complete an application form and (B) be endorsed by either (i) two (2) active Members as sponsors or (ii) the NVHA Membership Secretary. The completed application form, together with any initiation fees, applicable dues, and signed Release of Liability, shall be submitted to the Membership Secretary.

III. The Membership Secretary shall present all pending applications for membership to the Board of Directors for their consideration within 30 days of receipt.

IV. The names of prospective members will be published in the HOOFPRIENTS. Members will have until the next board meeting to express in writing to any board member any concerns they have with granting membership to any individual.

V. The board members in attendance shall cast a “yes” or “no” vote for each application presented. A 2/3 vote of the board members present at a board meeting with a quorum present is required to approve the membership at the time of voting. Prospective members shall not be present at the time of voting.

VI. All successful applicants shall be immediately notified, following such notification, their acceptance as members announced at the next general membership meeting.

VII. Applicants for membership who fail to receive the approval of the Board of Directors shall be immediately notified in writing by the Membership Secretary and their initiation fees together with applicable dues shall be returned to them within thirty (30) days of the date of such notification.

VIII. The death of any regular or associate member will terminate the membership of that person and the memberships of any dependents on that membership.

IX. By accepting membership in NVHA, all members agree to maintain the privacy of the NVHA membership roster, and that the membership roster shall in no event be disclosed to or shared with (in whole or in part) individuals or organizations which are not members of NVHA, except with the express written consent of the Board of Directors.

Section 2. Dues:

a. The annual dues of this association shall be set by the recommendation of the Board and approved by the membership. The actual dues amount will be printed in the NVHA Rule Book. An annual signed Release of Liability and code of conduct will be required for all Members and must accompany dues payment.

b. The due date and other rules regarding the payment of dues shall be determined by the Board of Directors and printed in the NVHA Rule Book.

c. Throughout the term of their offices, the members serving as Secretary and Treasurer of NVHA shall not be required to pay membership dues.

Section 3. Initiation Fees:

The initiation fee of this association shall be set by the recommendation of the Board and approved by the membership. The actual fee amount will be listed in the NVHA Rule Book. This fee is to be paid only once and is to accompany the application for membership.

Section 4. Liability:

a. **Liability of Volunteer Directors and Officers.** To the fullest extent permitted by law, no person who is now or later becomes a director, officer, or member of NVHA, shall be personally liable to NVHA creditors for any indebtedness or liability to the NVHA, as to which NVHA is solely liable.

Section 5. Associate Membership:

Associate memberships shall meet all the requirements of regular memberships and be entitled to such privileges entailed with the following exceptions:

a. Only one regular member is required to sponsor the proposed associate member along with an explanation of the relationship to them. Associate members need not attend a meeting before their membership application is approved. The associate membership includes all immediate family.

b. Associate members may not vote, hold elective office, board horses, rent the club house or arena at a discount or ride horses on the NVHA property.

c. Children, 17 years of age and under, of associate members who are included in the application of their parent(s) may ride horses on the property with the supervision of a regular member in good standing.

d. Associate memberships may be terminated by a majority vote of the board of directors.

e. Associate members are not required to pay an initiation fee.

f. Information about the application for Associate membership must be published in HOOFPRIENTS but need not be published prior to confirmation as a member.

g. In addition to its website the Corporation will maintain a monthly publication referred to as HOOFPRIENTS. The Corporation will provide a copy of each issue of HOOFPRIENTS to all Members, to advise them of current events. The Corporation will also maintain a Rule Book known as the NVHA Rule Book, which will be updated periodically as required.

Section 6. Reinstatement of Membership:

- a. Members who have been in good standing but whose memberships has lapsed for less than a year may reinstate their membership by paying dues and submitting a request for reinstatement to the Membership Secretary. The Board of Directors will vote on the reinstatement.
- b. Memberships that have lapsed for more than a year will require a new member application.

ARTICLE VIII.

MEETINGS OF THE MEMBERSHIP AND SPECIAL RULES FOR MEETINGS OF THE BOARD OF DIRECTORS AND COMMITTEES OF THE BOARD

Section 1. Substance of Meetings:

- a. All meetings of the members shall be conducted in accordance with these bylaws and under Roberts Rules of Order Newly Revised 11th edition.
- b. Advance notice of fifteen (15) days shall be given to all members of all meetings that involve changes to the bylaws, special rules, or elections.
- c. Meetings may be conducted as deemed appropriate by the board via electronic media fully or in part. Actions without meetings may be conducted via email, see Article VI section 2.
- d. The President shall be vested with the power to authorize the expenditure of a sum not to exceed \$100.00 (one hundred dollars) per meeting for the purpose of securing guest speakers for entertainment of a social or educational nature. This sum may be modified by the Board of Directors for reasonable cause. The entertainment may precede or follow the business meeting at the discretion of the President.

Section 2. Regular/General Meetings of the Membership:

Regular meetings, also called general meetings, include general membership and are held at the beginning of every month. These meetings include regular business and are conducted as described in the NVHA rulebook. The regular meetings of NVHA shall be held on the first Monday of each month at 7:30 p.m., or at any such time and place as may be determined by the Board of Directors and published in the NVHA rulebook and other club publications. Ten percent of regular membership shall constitute a quorum.

Section 3. Annual Meetings:

The annual meeting of the Members of NVHA shall be held as a regular meeting in December of each year, at the club house of the NVHA or such other place as the Board of

Directors may select, for the purpose of the election of Officers and General Directors and for the transaction of such business as may come before the meeting.

Section 4. Special Meetings:

Special meetings of the Members may be called by the President, a majority of the Board of Directors, or upon petition signed by ten Members in good standing and presented to the President. The membership shall be given five days written notice in advance of the special meeting or as required by Article VIII section 1 b. above. This notice shall state the agenda of the meeting. No other business may be transacted at a special meeting except those items listed on the written notice for the special meeting.

Section 5. Executive Sessions:

Executive Sessions of the Board should be called only on rare occasions to discuss sensitive issues. These sessions are confidential to all attendees and are intended to protect confidential information that would compromise individuals or the general interests of the NVHA. These sessions are not intended to be a refuge for controversial subjects. Executive sessions are the only instance in which subjects may be considered confidential. To enter into executive session a motion must be made, seconded, discussed and approved by majority vote. The motion made for executive session must state the reason for doing so. This motion must be included in the regular minutes. Any notes of the executive session are confidential. No motions may be approved in executive session with the exception to end the session.

Section 6. Adjourned Meetings:

An adjourned meeting is a continuation of a meeting (regular or board) that adjourned without completing its agenda. This meeting may be scheduled in the meeting that preceded it. In this meeting minutes of the regular or special meeting that preceded it are read and business is continued where it was left off.

Section 7. Meetings of the Board of Directors:

Board meetings are held on the 3rd Wednesday of every month at 7:00 pm or as called by the President. Members who are non-board members may attend but may not vote and may enter into discussion only at the invitation of the President. Six board members shall constitute a quorum.

Section 8. Guests:

- a. Members may bring guests to meetings, but in no instance may a guest enter into the discussion of the business of the club, except by invitation of the President.
- b. All speakers or visiting dignitaries, invited by an Officer, shall be the guests of the club and all costs of such dinner shall be borne by the club treasury.

ARTICLE VIII.

INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES, AND OTHER AGENTS

Section 8.1 Definitions. For the purposes of this Article,

(a) "agent" means any person who is or was a director, officer, employee or other agent of this corporation, or is or was serving at the request of this 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 that was a predecessor corporation of this corporation or of another enterprise at the request of the predecessor corporation;

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

(c) "expenses" includes, 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 his position or relationship as agent and all attorneys' fees, costs and other expenses incurred in establishing a right to indemnification under this Article.

Section 8.2 Successful Defense By Agent. To the extent that an agent of this corporation has been successful on the merits in the defense of any proceeding referred to in this Article, 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. If an agent either settles any such claim or sustains a judgment rendered against him, then the provisions of Sections 8.3 through 8.5 shall determine whether the agent is entitled to indemnification.

Section 8.3 Actions Brought By Persons Other Than the Corporation. Subject to the required findings to be made pursuant to Section 8.5 below, this corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any proceeding other than an action brought by, or on behalf of, this corporation, or 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 California Corporations Code Section 5233, or by the Attorney General or a person granted relator status by the Attorney General for any breach of duty relating to assets held in charitable trust, by reason of the fact that such person is or was an agent of this corporation, for all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with the proceeding.

Section 8.4 Action Brought By or on Behalf of the Corporation.

(a) "Claims Settled Out of Court. If any agent settles or otherwise disposes of a threatened or pending action brought by or on behalf of this corporation, with or without court approval, the agent shall receive no indemnification for either amounts paid pursuant to the terms

of the settlement or other disposition or for any expenses incurred in defending against the proceeding.

(b) Claims and Suits Awarded Against Agent. This corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action brought by or on behalf of this corporation by reason of the fact that the person is or was an agent of this corporation, for all expenses actually and reasonably incurred in connection with the defense of that action, provided that both of the following are met:

(i) The determination of good faith conduct required by Section 8.5 below, must be made in the manner provided for in that section; and

(ii) 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 should be 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 8.5 Determination of Agent's Good Faith Conduct. The indemnification granted to an agent in Sections 8.3 and 8.4 above is conditioned on the following:

(a) Required Standard of Conduct. The agent seeking reimbursement must be found, in the manner provided below, to have acted in good faith, in a manner he believed to be in the best interest of this corporation, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use in similar circumstances. 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 which he reasonably believed to be in the best interest of this corporation or that he had reasonable cause to believe that his conduct was unlawful. In the case of a criminal proceeding, the person must have had no reasonable cause to believe that his conduct was unlawful.

(b) Manner of Determination of Good Faith Conduct. The determination that the agent did act in a manner complying with Section 8.5(a) above shall be made by:

(i) the board of directors by a majority vote of a quorum consisting of directors who are not parties to the proceeding; or

(ii) the court in which the proceeding is or was pending. Such determination may be made on application brought by this corporation 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 this corporation.

Section 8.6 Limitations. No indemnification or advance shall be made under this Article, except as provided in Sections 8.2 or 8.4(b)(ii), in any circumstance when it appears:

(a) That the indemnification or advance would be inconsistent with a provision of the articles, a resolution of the board of directors, 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 it would be inconsistent with any condition expressly imposed by a Court in approving a settlement.

Section 8.7 Advance of Expenses. Expenses incurred in defending any proceeding may be advanced by this corporation 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.

Section 8.8 Contractual Rights of Nondirectors and Nonofficers. Nothing contained in this Article shall affect any right to indemnification to which persons other than directors and officers of this corporation, or any subsidiary hereof, may be entitled by contract or otherwise.

Section 8.9 Insurance. The board of directors may adopt a resolution authorizing the purchase and maintenance 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 this corporation would have the power to indemnify the agent against that liability under the provisions of this section except as otherwise provided by law.

Section 8.10 Fiduciaries or Corporate Employee Benefit Plan. This Article does not apply to any proceeding against any trustee, investment manager or other fiduciary of an employee benefit plan in that person's capacity as such, even though that person may also be an agent of the corporation as defined in Section 8.1. Nothing contained in this Article shall limit any right to indemnification to which such a trustee, investment manager, or other fiduciary may be entitled by contract or otherwise, which shall be enforceable to the extent permitted by applicable law.

ARTICLE IX.

BYLAWS AND AMENDMENTS

Section 1. Amendments:

a. The bylaws may be amended by a two-thirds (2/3) vote of the members present at a regular meeting of the membership at which a quorum is present.

b. All motions to amend the bylaws must be referred to the Bylaws Committee. The Bylaws Committee may consist of the entire Board as directed by the President at which point the President is the designated chair. The Bylaws Committee will make a full report and present their recommendation at the next regular meeting. The amendment will be read again at the following regular meeting at which time it will be voted upon by the membership.

c. The Bylaws Committee may pass resolutions recommending amendments to the Bylaws, but no amendment shall be valid unless it is passed by a two-thirds (2/3) vote of the members present at a regular meeting of the membership at which a quorum is present.

Section 2. Bylaws Form:

a. The Bylaws are to be published and a link to its publication is to be given to each Member or family. In cases where hard copies are requested by a member, he or she shall receive such copies from the Secretary upon payment of a charge to cover the cost of printing for each additional copy.

b. Whenever a motion amending the Bylaws has been duly passed, the Secretary shall make a record of the change, separately from that of the minutes. Such changes will be published and filed.

ARTICLE X.

DEDICATION OF ASSETS AND DISSOLUTION

The Corporation is not organized, nor shall it be operated for pecuniary gain or profit, and it does not contemplate the distribution of gains, profits, or dividends to its members and is organized solely for nonprofit purposes. The property, profits, and net income of the Corporation are irrevocably dedicated to the exempt purposes as stated in its Articles of Incorporation, and no part of the profits or net income of this corporation shall ever inure to the benefit of any director, officer, or member or to the benefit of any private shareholder or individual. On the dissolution or winding up of this corporation, its assets remaining after payment of, or provisions for payments of, all debts and liabilities of this corporation shall be distributed to a nonprofit fund, foundation or corporation that is organized and operated exclusively for charitable purposes and that has established its tax exempt status under the provisions of Section 501(c)(3) of the Internal Revenue Code and Section 23701 of the California Revenue and Taxation Code. It is believed that COMMUNITY PROJECTS, INC., of Napa, California has so qualified. Upon winding up or dissolution of this corporation, the net assets shall be distributed to the said Community Projects, Inc. or, if Community Projects, Inc., of Napa, California is not operating as such, then to such tax-exempt, charitable organization with exempt purposes consistent with those of NVHA.

In witness whereof, these Amended and Restated Bylaws are adopted as the Bylaws of NVHA this 10 day of July, 2023.

Gina Massolo, Secretary