

**BYLAWS OF  
SAN DIEGO-IMPERIAL COUNTIES  
DEVELOPMENTAL SERVICES, INC.**

**ARTICLE I**

**Objects and Purposes**

San Diego-Imperial Counties Developmental Services, Inc. (the “Corporation”) is formed to contribute to the general welfare of society by developing and providing comprehensive services for children and adults who have or are at risk of having developmental disabilities in the San Diego and Imperial Counties of the State of California. The Corporation and all of its businesses and other activities are to be operated and conducted in the promotion of its charitable objects and purposes as specified in its articles of incorporation, and in the conduct of its affairs the management shall at all times be mindful of these charitable objects and purposes. In the event that any provision of this Article I is inconsistent with any provision of the articles of incorporation of the Corporation, the provisions of the articles of incorporation of the Corporation shall prevail and be controlling.

[Rev. 12/93; 7/11]

**ARTICLE II**

**Membership**

Section 1. No Members. The Corporation shall have no members. Any action which, under the Nonprofit Corporation Law, would otherwise require approval of members shall require only approval by the Board of Directors (the “Board”). All rights which would otherwise vest in the members shall vest in the Board. [Rev. 7/11, Rev. 11/19]

Section 2. Persons Associated With the Corporation. Nothing in this Article II shall be construed as limiting the right of the Corporation to refer to persons associated with it as “members” and to establish rules and regulations for such “members”, even though such persons are not members and no such reference shall constitute any such person as a member within the meaning of Section 5056 of the Nonprofit Corporation Law. The Board may, however, confer by amendment of its articles of incorporation or by these bylaws some or all of the rights of a member, as set forth in the Nonprofit Corporation Law, upon any person or persons who do not have the right to vote for the election of Directors or on a disposition of all or substantially all of the Corporation’s assets or on a merger or a dissolution or on changes to the Corporation’s articles of incorporation or bylaws, but no such person shall be a member within the meaning of such Section 5056. [Rev. 7/11]

Section 3. Honorary Members. Subject to Section 2 of this Article II, the Board may, by appropriate resolution, from time to time define and establish honorary members, auxiliaries, friends, and other support groups for the Corporation and recognize such persons. None of such honorary members, auxiliaries, friends or groups, or the constituents thereof, shall be or have the rights and privileges of “members” within the meaning of Section 5056 of the Nonprofit Corporation Law with respect to the Corporation. [7/11]

## **ARTICLE III**

### **Board of Directors**

Section 1. Powers. Subject to any limitations in the articles of incorporation, of these bylaws and of the laws of the State of California, all powers of the Corporation shall be exercised by or under authority of, its property controlled and its affairs conducted and managed by, a Board of Directors. The primary function of the Board shall be to establish corporate policies for the direction and guidance of the Executive Committee, if any, the officers, and the management of the Corporation, and to formulate the basic rules and regulations governing the operation and management of the Corporation. [Rev. 11/19]

Section 2. Number of Directors. The number of Directors shall be not less than fifteen (15) or more than twenty-five (25) with the exact number of Directors set by the Board of the Corporation, unless and until changed by amendments of the articles of incorporation, or by amendment of this Section 2 of Article III of the bylaws. The number of Directors so set by the Board shall be the “authorized number” of Directors as referred to in these bylaws. [Rev. 6/07]

Section 3. Composition of Board and Conformance with Law. Pursuant to Welfare and Institutions Code, Section 4622, the Board shall conform with the following criteria:

- (a) The Board shall be composed of individuals with demonstrated interest in, or knowledge of, developmental disabilities;
- (b) The Board shall include persons with legal, management or board governance, financial, and developmental disability program expertise (with board governance expertise not acquired solely by serving on the Corporation’s Board or the board of directors of another corporation operating a regional center);
- (c) The Board shall include representatives of the various categories of disability to be served by the regional center operated by the Corporation;
- (d) The Board shall reflect the geographic and ethnic characteristics of the area to be served by the regional center operated by the Corporation;
- (e) A minimum fifty percent (50%) of the Directors shall be persons with developmental disabilities or their parents or legal guardians;
- (f) A minimum of twenty-five percent (25%) of the Directors shall be persons with developmental disabilities;
- (g) Directors shall not be permitted to serve on the Board more than seven (7) years within each eight (8) year period;
- (h) The Corporation shall provide necessary training and support to the Directors to facilitate their understanding and participation, including issues related to linguistic and cultural competency, and post on its Internet website information regarding the training and support provided to Directors;
- (i) In its discretion, the Board may appoint a client advisory committee composed of persons with developmental disabilities representing the various categories of disability served by the regional center operated by the Corporation;
- (j) The Board shall appoint a Vendor Advisory Committee as provided in Article V, Section 1(g) of these bylaws, which committee shall designate one of its members to serve as an ex-officio member of the Board;
- (k) The Board shall annually review the performance of the Chief Executive

Officer;

(l) The Board shall annually review the performance of the Corporation with respect to operating the regional center and providing services that are linguistically and culturally appropriate and may provide recommendations to the Chief Executive Officer based on the results of that review;

(m) No Director who is an employee or member of the governing board of a provider from which the Corporation purchases client services shall (1) serve as an officer of the Corporation; (2) vote on any fiscal matter affecting the purchase of services from any such provider; or (3) vote on any issue other than as described in (2), in which the Director has a financial interest, as defined in Government Code, Section 87103, and determined by the Board. Such Director shall provide to the Board a list of his or her financial interests, as defined in Government Code, Section 87103.

(n) No Director shall be an employee of the California State Department of Developmental Services or any state or local agency which provides services to a regional center client if employed in a capacity which includes administrative or policymaking responsibility, or responsibility for the regulation of the regional center, or an employee or a member of the State Council or an area board;

(o) No Director shall be an employee or member of the governing board of any entity from which the regional center operated by the Corporation purchases client services; provided however, this prohibition shall not apply to the Director who is a member and chair of the Vendor Advisory Committee and who has been designated by that Committee to serve as a member of the Board; and

(p) No Director shall have a financial interest, as defined in Section 87103 of the Government Code, in regional center operations. A Director who receives regional center services as a client, parent, or legal guardian shall not be considered as having a financial interest.

(q) By August 15th of each year, the Board shall submit documentation related to the composition of the Board to the Department of Developmental Services in compliance with Welfare and Institutions Code, Section 4622.

[Rev. 7/85; 12/92; 12/93; 8/95; 7/96; 9/98; 6/07; 7/11; 7/15; 11/19]

#### Section 4. Term of Office and Election of Directors.

(a) Each Director may be elected for up to three (3) consecutive terms, the total of which shall not exceed seven (7) years within an eight (8) year period. The first term shall commence on the date the Director is elected and end on the next January 31st. The second and third terms shall each commence on February 1st and end on January 31st three (3) years thereafter. Provided that Directors do not serve more than seven (7) years within any eight (8) year period, Directors may be re-elected to serve an unlimited number of terms.

(b) The Directors shall be elected at the annual meeting of the Directors, but if Directors are not elected at such meeting, the Directors may be elected at any regular or special meeting. At the request of the Nominating and Bylaws Committee, one or more Directors may be elected at any regular or special meeting.

(c) The Vendor Advisory Committee, as specified in Article V, Section 1(g), shall designate one of its members to serve as an ex-officio Director. This ex-officio Director shall serve a one year term; however, he or she may be redesignated to serve additional one year terms up to a maximum of seven (7) years within any eight (8) year period. The ex-officio Director shall have the same rights and responsibilities as other members of the Board except that he or she:

(i) may not serve as an officer of the Corporation;

(ii) may not vote on any fiscal matter affecting purchase of services from any regional center provider;

(iii) may not vote on any issue in which the Director has a financial interest as defined in Section 87103 of the Government Code, and determined by the Board;

(iv) shall provide a list of financial interests, as defined in Section 87103 of the Government Code, to the Board; and

(v) subject to the term limitation stated in Section 4(c), above, may only serve as an ex-officio Director while concurrently serving as a member of the Vendor Advisory Committee.

(d) The Board may elect (and remove as provided in these Bylaws) one or more additional ex-officio Directors to serve for such term as the Board may determine (subject to the term limitation stated in Section 4(a), above). Such additional ex-officio Directors shall have the same rights and responsibilities as other members of the Board, provided that, an ex-officio Director may only serve on the Board while concurrently serving in the specified position entitling him or her to serve on the Board. Upon an ex-officio Director's resignation or removal from that specified position his or her term of office as an ex-officio Director shall immediately cease. At that time, the successor in the specified position shall, if approved by the Board, become an ex-officio Director to occupy the place of the former ex-officio Director.

(e) The Executive Director of the Corporation shall prepare a schedule of Directors and each of their terms to assist the Board in complying with this Section 4. Such schedule shall be updated each time there is a change in the members of the Board.

(f) The Nominating and Bylaws Committee, as specified in Article V, Section 1(c), shall be responsible to ensure that the terms for each candidate it recommends for election or re-election to the Board conform with this Section 4.

(g) By August 15th of each year, pursuant to Welfare and Institutions Code, Section 4622.5, the Board shall cause detailed documentation to be submitted to the Department of Developmental Services to demonstrate that the composition of the Board complies with the requirements of this Section 4.

[Rev. 7/85; 5/07; 6/07; 7/11; 5/14; 7/15; 3/19; 11/19]

#### Section 5. Vacancies

(a) A vacancy(ies) on the Board shall be deemed to exist in the event of the death, resignation, or removal of any Director; a Director has been declared of unsound mind by a final order of court, convicted of a felony, or has been found by final order or judgment of any court to have breached a duty under Article 3, Chapter 2, commencing with Section 5230 of the Nonprofit Corporation Law related to the Director's standards of conduct; if the authorized number of Directors is increased; or the failure of the Directors, at any meeting of the Board at which Directors are to be elected, to elect the full authorized number of Directors.

(b) All vacancies on the Board shall be filled by a majority vote of the remaining Directors. Each Director so elected to fill a vacancy shall hold office for the remainder of the predecessor's unexpired term and until the election of a successor.

(c) The Board may at any time elect additional Directors at the meeting at which an amendment of the bylaws is duly adopted authorizing an increase in the authorized number of Directors. Each Director so elected shall hold office until the expiration of the specified term and until the election of a successor.

(d) If the Board accepts the resignation of a Director tendered to take effect at a future time, the Board shall have the power to elect a successor to take office when the resignation shall become effective. The successor elected shall hold office for the remainder of the resigning

Director's unexpired term and until the election of a successor.

(e) No reduction in the authorized number of Directors shall have the effect of removing any Director prior to the expiration of his or her term of office.  
[Rev. 6/07; 7/11; 10/17]

Section 6. Place of Meeting. All meetings of the Directors shall be held at an office of the Corporation in the State of California or at such other place as may be designated for that purpose from time to time by the Board.  
[Rev. 7/15; 11/19]

Section 7. Open Meetings. Except for Board retreats planned solely for educational purposes, meetings of any committee which does not have or exercise authority delegated to it by the Board, and closed meetings described in Section 8, below, all meetings of the Board, and all meetings of any committee of the Board which exercises authority delegated to it by the Board, shall be scheduled, open to the public, and all persons shall be permitted to attend any such meeting. Time shall be allowed at each meeting for public input on all properly noticed agenda items prior to the Board's action on the items, and for any issue not included on the agenda. Any person attending an open meeting shall have the right to record the proceedings on any audio, video, or written transcription recording device unless the Board reasonably finds that such recording constitutes, or would constitute, a disruption of the proceedings. Upon his or her election as a Director, the Corporation shall provide a copy of Welfare and Institutions Code, Section 4660 to 4669 to such Director to advise him or her of the requirements under that law related to meetings of the Board.  
[Rev. 11/19]

Section 8. Closed Meetings. The Board may hold closed meetings to discuss or consider (i) real estate negotiations, (ii) the appointment, employment, evaluation of performance, or dismissal of an employee of the Corporation, (iii) employee salaries and benefits, (iv) labor contract negotiations, and (v) pending litigation (as described in Welfare and Institutions Code, Section 4664). In addition, any matter specifically dealing with a particular client shall be discussed in a closed meeting unless it is requested that the matter be discussed publicly by the client, his or her conservator, or his or her parent or guardian if the client is a minor. Prior to and directly after holding any closed meeting, the Board shall state the specific reason(s) for closing the meeting, and shall not consider any other matters not included in such statement. Minutes of closed meetings shall not be public records.  
[Rev. 11/19]

Section 9. Annual Organization Meeting. The annual organization meeting of the Board shall be held for the purpose of election of Directors, organization, appointment of officers and the transaction of such other business as may properly be brought before the meeting on the second Tuesday in January in each year, if not a legal holiday, and if a legal holiday, then on the next succeeding business day. No notice need be given to Directors of such annual organization meeting.  
[Rev. 6/83; 4/08; 7/11; 11/19]

Section 10. Regular Meetings. Regular meetings of the Board shall be held on the second Tuesday of each month. If any such day shall fall on a holiday, such meeting shall be held on the next succeeding business day. No notice need be given to Directors of such regular meetings.

[Rev. 6/83; 6/91; 12/93; 4/08; 11/19]

Section 11. Special Meetings. Special meetings of the Board for any purpose or purposes shall be called at any time by the Chair of the Board, the Secretary or any two (2) Directors of the Corporation. The person calling such special meeting shall determine the date and time thereof. [Rev. 8/95; 7/15; 11/19]

Section 12. Notice of Special Meetings. A notice of special meetings of the Board called in accordance with Section 11 of this Article III shall be given in writing by the Secretary, or in case of the Secretary's neglect or refusal, by any Director, and shall specify the place, the day and the hour of the meeting and the nature of the business to be transacted. Such notice shall be sent to each member of the Board by electronic transmission, or at his or her address appearing on the books of the Corporation, or supplied by said Director of the Corporation for the purpose of notice, not less than seven (7) days prior to such meeting. No items of business other than those specified in the notice of special meeting may be transacted at a special meeting. [Rev. 11/19]

Section 13. Notice of Meetings to Persons Requesting Notice. The Corporation shall mail notice of all meetings to any person who requests notice in writing. Notice shall be mailed at least seven (7) days in advance of each meeting and include the date, time and location of the meeting, and an agenda that identifies all substantive topic areas to be discussed. No item shall be added to the agenda after the notice is mailed, provided, however, the Board may take action on items brought before the meeting by members of the public, and on any urgent request made by the Department of Developmental Services not related to purchase of service reductions if the Board makes a specific finding that notice of such matter could not have been provided at least seven (7) days before the meeting. Notice required by this Section 13 need not be given in the case of an emergency situation (as defined in Welfare and Institutions Code, Section 4662), where prompt action by the Board is necessary, but following the meeting, the minutes of such meeting shall be mailed to those persons who had requested notice. [Rev. 11/19]

Section 14. Consent to Meetings; Waiver of Notice. The transaction of business at any meeting of the Board, however called and noticed and wherever held, shall be as valid as though transacted at a meeting duly held after regular call and notice if a quorum be present, and if, either before or after the meeting, each of the Directors entitled to vote, not present in person, signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of a meeting need not be given to any Director who attends the meeting without protesting prior to or at the commencement of the meeting, the lack of notice to such Director. Notices of meetings, waivers of notice, consents, approvals and other communications permitted or authorized by these bylaws may be transmitted by facsimile or email to and from the Corporation and its officers and Directors provided that each of the Corporation's officers and Directors has consented in writing to the use of electronic transmission to receive and send certain communications from and to the Corporation in accordance with the applicable provisions of Sections 20 and 21 of the Corporations Code. [Rev. 8/95; 5/14; 11/19]

Section 15. Quorum. At all meetings of the Board a majority of the Directors then in office

shall be necessary and sufficient to constitute a quorum for the transaction of business except to adjourn as provided in Section 20 of this Article III. The act of a majority of the Directors present at any time at which there is a quorum shall be the act of the Board, unless a greater number is required by these bylaws or by law. Notwithstanding the previous provisions of this Section 15, 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.

[Rev. 11/19]

Section 16. Conduct of Meetings. The Chair of the Board, or, in his or her absence, the Vice Chair, or, in his or her absence, another Director who is a member of the Executive Committee, or in the absence of all Directors who are members of the Executive Committee, any other person chosen by a majority of the Directors present shall be chair of and shall preside over the meetings of the Board. The Secretary of the Corporation shall act as the secretary of all meetings, provided that in his or her absence, the Chair shall appoint another person to act as secretary of the meetings. The meetings shall be governed as the Directors shall agree; in the absence of such agreement, Robert's Rules of Order, as may be amended from time to time, shall govern the meetings insofar as such rules are not inconsistent with or in conflict with these bylaws, the articles of incorporation, or the law.

[Rev. 8/95; 6/07; 10/16; 11/19]

Section 17. Proxy Voting Prohibited. Voting by proxy shall not be permitted.

Section 18. Action by Unanimous Written Consent. Any action which may be taken at a meeting of the Board may be taken without a meeting if all members of the Board shall individually or collectively consent in writing to such action. Such action by written consent shall have the same force and effect as a unanimous vote of the Directors. Such written consent or consents shall be filed with the minutes of the proceedings of the Board.

[Rev. 11/19]

Section 19. Participation in Meetings by Telephone and Other Electronic Communications. Members of the Board may participate in meetings through use of conference telephone or video communications equipment, so long as all members participating in such meetings can hear one another. Such participation will constitute presence in person at the meetings.

[Rev. 7/02; 10/17; 11/19]

Section 20. Adjournment. A majority of the Directors present, whether or not a quorum is present, may adjourn any Directors' meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given to any absent Directors unless the original meeting is adjourned for more than twenty-four (24) hours. If the original meeting is so adjourned for more than twenty-four (24) hours, notice of the adjournment to another time and place shall be given prior to the time of the adjourned meeting to the Directors who were not present at the time the original meeting was adjourned. [Rev. 7/11]

Section 21. Rights of Inspection. Every Director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind except for confidential information and records related to providing services to clients as set forth in Section 5328 of the Welfare and Institutions Code, and to inspect the physical properties of the Corporation.

[Rev. 7/15; 11/19]

Section 22. Removal of Directors.

(a) The Board may, by the affirmative vote of a majority of the Directors (not counting the vote of the affected Director), remove for cause and declare vacant the office of any Director who (i) has been declared of unsound mind by a final order of court, (ii) has been convicted of a felony, (iii) has been found by a final order or judgment of any court to have breached a duty owing to the Corporation under Sections 5230 to 5239 of the Nonprofit Corporation Law, (iv) fails or ceases to meet any required qualification that was in effect at the beginning of the Director's current term, or (v) has failed to be present at more than three (3) regularly scheduled meetings of the Board during a twelve (12) month period, provided at the time the Director was elected the bylaws stated that the Director could be removed for failing to be present at the specified number of meetings.

(b) The Board may, by the affirmative vote of a majority of the Directors then in office at meeting at which a quorum is present (not counting the vote of the affected Director), remove any director without cause and declare vacant the office of such Director.

(c) The removal of any director under this Section 22 shall be at a duly noticed special meeting called for that purpose, or at a regular meeting provided notice of the regular meeting and of the proposed action to remove a Director are given as provided in Section 12 of this Article III.

[Rev. 7/88; 10/16; 10/17; 3/19; 11/19]

Section 23. Fees and Compensation. Directors and members of committees may receive such compensation, if any, for their services, and such reimbursement for expenses, as may be fixed or determined by the Board.

[Rev. 11/19]

Section 24. Freedom from Liability. No Director of this Corporation shall be personally liable for the debts, liabilities, or obligations of the Corporation.

Section 25. Standard of Conduct. Pursuant to Section 5231 of the Nonprofit Corporation Law, a Director shall perform the duties of a Director, including duties as a member of any committee of the Board upon 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 ordinary prudent person in a like position would use under similar circumstances. In performing the duties of a Director, a Director 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:

(a) One or more officers or employees of the Corporation whom the Director believes to be reliable and competent in the matters presented;

(b) Counsel, independent accountants or other persons as to matters which the Director believes to be within such person's professional or expert competence; or

(c) A committee upon which the Director does not serve that is composed exclusively of any, or any combination of, directors, persons described in subsection (a), above, or persons described in subsection (b), above, as to matters within the committee's designated authority, which committee the Director believes to merit confidence, so long as, in any case, the Director acts in good faith, after reasonable inquiry when the need therefor is indicated by the circumstances and without knowledge that would cause that reliance to be unwarranted.

[Rev. 5/14]

## ARTICLE IV

### Officers

Section 1. Officers. The officers of the Corporation shall be a Chair of the Board, a Vice Chair of the Board, a Secretary, a Treasurer, an Executive Director and a Chief Financial Officer, which officers shall be chosen by, and hold office at, the pleasure of the Board, subject to the rights, if any, of any officer under any contract of employment. The Chair, Vice Chair, Secretary and Treasurer shall be members of the Board. The Executive Director and the Chief Financial Officer shall not be members of the Board. One person may hold two (2) offices, except that neither the Secretary nor the Treasurer may serve concurrently as the Chair of the Board.

[Rev. 8/95; 11/19]

Section 2. Appointment of Officers. The officers of the Corporation shall be appointed annually by the Board and each shall hold office until his or her successor shall be appointed and qualified to serve, or until he or she shall resign or be removed or disqualified to serve. No officer other than the Executive Director and the Chief Financial Officer may serve more than two (2) full consecutive terms in the same office. A term shall consist of one (1) year expiring on the 31st of January.

[Rev. 12/83; 7/11; 10/16; 10/17; 11/19]

Section 3. Subordinate Officers. The Board may appoint or authorize the appointment of such officers, other than those hereinbefore mentioned, 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 authorize or determine.

[Rev. 11/19]

Section 4. Chair of the Board. The Chair of the Board shall, if present, preside at all meetings of the Board and Executive Committee, appoint the members of committees (unless the Board appoints the committee members as otherwise stated in these bylaws), appoint the chairs of all committees (unless the Board appoints committee chairs as otherwise stated in these bylaws or the chair of a committee is otherwise designated by these bylaws), serve as ex-officio member of all committees, provide for the annual evaluation of the Executive Director in consultation with members of the Executive Committee, and exercise and perform such other powers and duties as from time to time may be assigned by the Board.

[Rev. 8/95; 12/93; 06/10; 7/11; 11/19]

Section 5. Vice Chair of the Board. In the absence or disability of the Chair of the Board, the Vice Chair of the Board shall perform all of the duties of the Chair of the Board, and when so acting shall have all of the powers of, and be subject to all of the restrictions upon, the Chair of the Board. The Vice Chair of the Board shall have such other powers and perform such other duties as from time to time may be prescribed for the Vice Chair by the Board or the bylaws.

[Rev. 8/95; 11/19]

Section 6. Secretary. 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. The Secretary also shall keep or cause to be kept a book of minutes at the principal office, or at such other place as the Board may order, of all meetings of the Directors, 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 at Directors' meetings, and the proceedings thereof. The Secretary shall give or cause to be given notice of all the meetings of the Board required by these bylaws or by law to be given and he or she shall keep the seal of the Corporation in safe custody and have such other powers and perform such other duties as may be prescribed by the Board and by these bylaws. All or part of the above duties may be delegated to the Executive Director or such other staff as may be designated by the Executive Director.

[Rev. 11/19]

Section 7. Treasurer. The Treasurer shall make provision for the care and custody of all funds of the Corporation, shall make provision for the deposit of such funds as required and designated by the Board, shall make provision for the maintenance of adequate accounts of the properties and business transactions of the Corporation, shall render reports and financial statements to the Directors as required by the Board, and shall in general perform all duties incident to the office of Treasurer and such other duties as may be required by law, by the articles of incorporation, or by these bylaws, or which may be assigned to him or her from time to time by the Board. All or part of the above duties may be delegated to the Executive Director, the Chief Financial Officer, or such other staff as may be designated by the Executive Director.

[Rev. 7/11; 11/19]

Section 8. Executive Director. The Executive Director shall be the Chief Executive Officer of the Corporation and as such shall have the authority and responsibility for the day-to-day management and administration of the affairs, employees and resources of the Corporation, and for implementation of the policies and programs of the Corporation. The Executive Director shall, subject to the policies of the Corporation, employ, supervise, manage, control and discharge the employees of the Corporation. The Executive Director shall advise and counsel the Board of Directors in matters of policy and shall act as a representative for the Corporation at community, state and national meetings.

[Rev. 12/93; 8/95, 6/03; 6/10]

Section 9. Chief Financial Officer. The Chief Financial Officer, under the direction of the Treasurer and the Executive Director, shall keep and maintain or cause to be kept and maintained adequate and correct accounts of the properties and business transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains and losses. The books of account shall at all times be open to inspection by any Director. The Chief Financial Officer shall deposit or cause to be deposited all monies and other valuables in the name and to the credit of the Corporation in such depositories as may be designated by the Board. The Chief Financial Officer shall disburse or cause to be disbursed the funds of the Corporation as shall be ordered by the Board, shall render to the Executive Director, the Chair, [Rev. 8/95] and Directors, whenever they shall request it, an account of all transactions as Chief Financial Officer and the financial condition of the Corporation, shall take or cause to be taken proper vouchers for all disbursements of the funds of the Corporation, and shall have such other powers and perform such other duties as may be prescribed by the Board and by these bylaws.

[Rev. 6/03; 6/10; 7/11; 11/19]

Section 10. 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 appointed 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 the officer under any contract of employment of the officer.  
[Rev. 11/19]

Section 11. Resignation. Any officer may resign at any time by giving written notice to the Corporation, 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 12. 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 appointment of such office, provided that such vacancies may be filled as they occur and not on an annual basis.  
[Rev. 7/11; 11/19]

## ARTICLE V

### Committees

Section 1. Standing Committees. Unless determined otherwise by resolution adopted by a majority of the Directors then in office, there shall be the following eight (8) standing committees:  
[Rev. 11/19]

(a) Executive Committee. The Executive Committee shall be a Board Committee (as described in Section 5 of this Article V), and shall have the power and duty to conduct such affairs of the Corporation and to exercise such powers as are delegated to it by the Board when the Board is not in session, except powers which may not be delegated by the Board as stated in Section 5 of this Article V. In collaboration with the Executive Director, the Executive Committee shall be responsible for coordinating a process to develop the Corporation's strategic plan, which process may include participation by the Board. The Corporation's strategic plan shall be approved by the Board. The Executive Committee shall report to the Board on the progress of developing the strategic plan and, after such plan is approved by the Board, implementation of the strategic plan.

The members of the Executive Committee shall be the Chair, the Vice Chair, the Secretary, the Treasurer, the immediate Past Chair, and one other Director appointed by the Board who will also act as the Corporation's representative to the Association of Regional Center Agencies ("ARCA"). In the event the immediate Past Chair is not available to serve, due either to (1) having been appointed to fill another office during the same term, or (2) no longer serving as a Director, one other Director may be appointed by the Board to serve on the Executive Committee. In the event the representative to ARCA is also the Chair, the Vice Chair, the Treasurer, or the immediate Past Chair, one other Director may be appointed by the Board to serve on the Executive Committee. The Chair of the Board shall chair the Executive Committee.

The Executive Committee shall hold such meetings as shall be directed by the Board or called by the Chair at such times and places as may be convenient to conduct business. Each

Committee member shall have one vote and all matters shall be decided by a majority vote. A majority of the Committee members present at a meeting shall be sufficient to constitute a quorum. No member of the Committee may vote by proxy. All actions taken by the Executive Committee shall be reported at the next regular meeting of the Board. The Executive Director of the Corporation shall attend all meetings of the Executive Committee unless otherwise excused by the Chair of the Executive Committee.

(b) Finance Committee. The Finance Committee shall be responsible for carrying out the relevant policies approved by the Board by overseeing the proper performance of the Executive Director, Chief Financial Officer and other staff of the Corporation in maintaining fiscal integrity and by establishing clear and accurate management information. The Finance Committee is responsible for the review and presentation of the annual operations budget and annual fiscal reports and for recommending policies for expenditures of Corporation funds. The Chair of the Board shall appoint the members of the Finance Committee provided the members consist of at least four (4) Directors, including the Treasurer, who shall be the chair of the Finance Committee, and the Chief Financial Officer who shall be a nonvoting, ex-officio member of this Committee. This Committee may include non-director members.

(c) Nominating and Bylaws Committee. The Nominating and Bylaws Committee shall be responsible for recommending qualified candidates for the Board to elect as Directors or to appoint as officers at the annual meetings or at such times as may be appropriate. This Committee shall recommend candidates to fill vacancies on the Board that are scheduled to occur on January 31st of each year. The Nominating and Bylaws Committee shall ensure that each candidate recommended fulfills at least one of the requirements of Section 3 of Article III of these bylaws applicable to the composition of the Board. The Nominating and Bylaws Committee shall also review the bylaws at least annually, and make appropriate recommendations for amendments to the Board. The Chair of the Board shall appoint the members and chair of the Nominating and Bylaws Committee provided the members consist of at least three (3) Directors, one of whom serves as the chair of this Committee. This Committee may include non-director members.

(d) Personnel Committee. The Personnel Committee shall review and make recommendations to the Board on matters relating to classification and personnel practices of the Corporation, to include pay scales, fringe benefits, employee relations, and equal employment opportunity. The Chair of the Board shall appoint the members and chair of the Personnel Committee provided the members consist of at least three (3) Directors, one of whom serves as the chair of this Committee. This Committee shall not include any non-director members.

(e) Client Advisory Committee. The Client Advisory Committee shall provide advice, guidance, recommendations, and technical assistance to the Board in order to assist the Corporation in carrying out its mandated functions related to persons with developmental disabilities. The Chair of the Board shall appoint the members and chair of the Client Advisory Committee provided the members consist of at least three (3) Directors with developmental disabilities representing the various categories of disability served by the regional center, and one or more non-director community representatives also with developmental disabilities and representing the various categories of disability served by the regional center.

(f) Defined Benefit Plan Investment Committee. The Defined Benefit Plan

Investment Committee is responsible for carrying out the investment of the defined benefit plan assets in accordance with the Investment Policy Statement approved by the Board. This Committee shall report to the Board at least annually on the defined benefit plan investment accounts. The members of the Defined Benefit Plan Investment Committee shall be the Chair of the Board, the Chair of the Personnel Committee, who shall be the chair of this Committee, the Chair of the Finance Committee, the Executive Director, the Chief Financial Officer, and at least one individual knowledgeable in investment strategies whom the Chair of the Personnel Committee shall have the authority to appoint. If any of such persons cannot serve as members of the Defined Benefit Plan Investment Committee, the Chair of the Board shall appoint their replacements.

[Rev. 3/19]

(g) Vendor Advisory Committee. The Vendor Advisory Committee shall provide advice, guidance, recommendations, and technical assistance to the Board in order to assist the Corporation in carrying out its mandated functions. This Committee shall not exercise any authority of the Board nor take any action on behalf of the Corporation, but shall report its findings and recommendations to the Board. The Vendor Advisory Committee shall designate one of its members to serve as an ex-officio member of the Board. The Chair of the Board shall appoint the members of the Vendor Advisory Committee provided the members consist of a wide variety of persons representing the various categories of providers from which the Corporation purchases client services. The members of the Vendor Advisory Committee shall appoint the chair of this Committee who shall serve as an ex-officio Director.

[Rev. 6/03; 5/05; 7/11; 5/14; 7/15; 10/17]

(h) Audit Committee. Subject to the supervision of the Board, the Audit Committee shall be responsible for:

- (i) Recommending to the Board the retention and termination of the Corporation's independent auditor;
- (ii) Negotiating the independent auditor's compensation on the Board's behalf;
- (iii) Conferring with the auditor to satisfy the Audit Committee that the financial affairs of the Corporation are in order;
- (iv) Reviewing and determining whether to accept the audit prepared by the independent auditor.

If the independent auditor performs any nonaudit services for the Corporation, the Audit Committee shall also be responsible for:

- (i) assuring that those services conform with standards for auditor independence set forth in the latest revision of the Government Auditing Standards, issued by the Comptroller General of the United States (the Yellow Book), and any standards for auditor independence in the performance of nonaudit services prescribed by the Attorney General's regulations, including standards different from those set forth in the Yellow Book; and
- (ii) approving the performance by the independent auditor of those services.

The Chair of the Board shall determine the number of members of this Committee, and shall appoint the members and chair of this Committee. Such members may include persons who are Directors or non-directors, but shall not include any staff of the Corporation, the Chief Executive Officer, the Chief Financial Officer, the Treasurer, or any person who has a material financial

interest in any entity doing business with the Corporation. The Audit Committee shall be separate from the Finance Committee. Members of the Finance Committee may also serve on the Audit Committee; however, the chair of the Audit Committee may not be a member of the Finance Committee and members of the Finance Committee shall constitute less than fifty percent (50%) of the membership of the Audit Committee. Members of the Audit Committee shall not receive any compensation from the Corporation in excess of the compensation, if any, received by Directors for service on the Board. The Audit Committee may request that the Corporation hire outside expert consultation to assist the Audit Committee.

[Rev. 11/19]

Section 2. Advisory Committees. By resolution adopted by a majority of the Directors then in office, the Board may appoint one or more advisory committees. Advisory committees shall have no authority of the Board or authority to act for the Corporation, but shall report their findings and recommendations to the Board. The members and chair of each advisory committee shall be appointed by the Chair of the Board. The members may include Directors and/or non-directors.

[Rev. 6/03; 7/11; 7/11; 7/15; 3/19; 11/19]

Section 3. Task Forces. By resolution adopted by a majority of the Directors then in office, from time to time on an as needed basis the Board may create one or more temporary task forces to study and report to the Board on specific matters which may include, for example, opportunities the Corporation may pursue, succession planning, critical or urgent matters, or any other issues the Board may request. When creating a task force, the Board shall set the specific charge of the task force and its duration. The task force shall not exceed the scope of its charge or duration without approval of the Board. Task forces shall have no authority of the Board or authority to act for the Corporation, but shall report their findings and recommendations to the Board. The provisions in these Bylaws generally applicable to committees shall apply to task forces. The members and chair of each task force shall be appointed by the Chair of the Board. The members may include Directors and/or non-directors, including officers of the Corporation and other individuals.

[Rev. 11/19]

Section 4. Meetings and Actions of Committees. The Board shall have the power to prescribe the manner in which proceedings of any committee shall be conducted. In the absence of any such prescription, each committee shall have the power to prescribe the manner in which its proceedings shall be conducted. Unless the Board or such committee shall otherwise provide, the regular and special meetings and other actions of any such committee shall be governed by the provisions of Article III applicable to meetings and actions of the Board. Minutes shall be kept of each meeting of each committee. Meetings of any committee which does not have or exercise authority delegated to it by the Board need not be open to the public.

[Rev. 9/86; 8/00; 7/15; 11/19]

Section 5. Board Committees. In addition to the Executive Committee established by and described in Section 1(a) of this Article V, by resolution adopted by a majority of the Directors then in office, the Board may create one or more committees, which shall be comprised of two (2) or more Directors and no persons who are not Directors, and referred to in this Article 5 as "Board Committees". Board Committees may be standing or ad hoc, and have such tenure and purposes and, subject to the limitation on delegation of Board authority stated below, such delegated authority of the Board as the Board shall determine. The Board shall appoint the members and chairs of Board Committees, and may appoint alternate members to replace any absent member at

any committee meeting. All members of Board Committees shall serve at the pleasure of the Board. The Board shall not delegate to any Board Committee the authority of the Board to:

- (a) Approve any action for which the Nonprofit Public Benefit Corporation Law also requires approval of members or approval of a majority of all members (notwithstanding that this Corporation does not have members within the meaning of Section 5056 of the Nonprofit Corporation Law);
- (b) Fill vacancies on the Board or on any Board Committee;
- (c) Fix compensation of the Directors for serving on the Board or on any committee;
- (d) Amend the articles of incorporation or amend or repeal the bylaws or adopt new bylaws;
- (e) Amend or repeal any resolution of the Board which by its express terms is not amendable or repealable;
- (f) Appoint Board Committees or the members thereof;
- (g) Expend corporate funds to support a nominee for Director after there are more people nominated for Director than can be elected;
- (h) Approve any self-dealing transaction except as provided in Section 5233(d)(3) of the Nonprofit Corporation Law;
- (i) Approve the sale of all or substantially all assets of the Corporation which is not in the usual course of business; or
- (j) Approve a merger or dissolution of the Corporation.

[Rev. 11/19]

Section 6. Other Committees Without Board Authority. In addition to the Finance Committee, Nominating and Bylaws Committee, Personnel Committee, Client Advisory Committee, Defined Benefit Plan Investment Committee, Vendor Advisory Committee, and Audit Committee established by and described in Sections (1)(b) through (1)(h) of this Article V, and advisory committees and task forces, the Board may from time to time, by resolution adopted by a majority of the Directors then in office, create one or more committees which shall not have any delegated authority of the Board. Such committees may be standing or ad hoc, and shall have such tenure and serve such purposes as the Board determines. Unless otherwise provided in these bylaws or by a resolution adopted by a majority of the Directors then in office, these committees shall have at least two (2) members who may be Directors and/or non-directors, the Chair of the Board shall have the authority, as hereby delegated by the Board, to appoint the members and chairs of these committees, and the Chair of the Board may appoint alternate members to replace any absent member at any committee meeting. All members of these committees shall serve at the pleasure of the Board.

[Rev. 11/19]

## ARTICLE VI

### General Provisions

Section 1. Voting Shares. The Corporation may vote any and all shares held by it in any other corporation by such officer, agent or proxy as the Board may appoint, or in the absence of any such appointment, by the Chair of the Board or by any other officer, if also a Director and, in such case, such officers or any of them, may likewise appoint a proxy to vote said shares.

[Rev. 8/95; 11/19]

Section 2. Checks, Drafts, Etc. All checks, drafts or other orders for payment of money, notes or other evidence of indebtedness issued in the name of or payable to the Corporation and any and all securities owned or held by the Corporation requiring signature for the transfer shall be signed or endorsed by such person or persons and in such manner as from time to time shall be determined by the Board or the Executive Committee.

[Rev. 11/19]

Section 3. Endorsement of Documents; Contracts. Subject to the provisions of applicable laws, 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 party, when signed by any one of the Chair of the Board, the Vice Chair of the Board, ~~or the President~~, and by any one of the Secretary, the Treasurer, the Chief Financial Officer of the Executive Director, shall be valid and binding on the Corporation in the absence of actual knowledge on the part of the other party that the signing officers had no authority to execute the same. Any such instruments may be signed by any other person or persons and in such manner as from time to time shall be determined by the Board or the Executive Committee, and, unless so authorized by the Board, no officer, agent or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or amount.

[Rev. 11/19]

Section 4. Annual Report and Statement of Certain Transactions.

(a) The Board shall cause an annual report to be prepared and sent to each Director, and such other persons as are designated by the Board, no later than 120 days after the close of the fiscal year. The annual report shall be prepared in conformity with the requirements of Section 6321 of the Nonprofit Corporation Law. If an independent accountant prepares a written report regarding the annual report, the accountant's report must accompany the annual report. However, if there is no such accountant's report, the annual report shall be accompanied by the certificate of an authorized officer of the Corporation that the information in the annual report was prepared without audit from the books and records of the Corporation. The report shall be prepared, audited, and made available in the manner required by Section 12586(e)(1) of the Government Code, if applicable.

(b) As part of the annual report referred to in subsection (a) above, , the Corporation shall furnish to all Directors a statement of any transaction or indemnification of the kind described in Sections 6322(d) or 6322(e) of the Nonprofit Corporation Law, if any such transaction or indemnification took place.

(c) If the Board approves, the report and statement referred to in subsections (b) and (c) along with any accompanying material may be sent to the Directors by electronic transmission.

[Rev. 7/11; 10/17; 11/19]

Section 5. Construction and Definitions. Unless the context otherwise requires, the general provisions, rules of construction and definitions contained in the general provisions of the Nonprofit Corporation Law and in the Nonprofit Public Benefit Corporation Law shall govern the construction of these bylaws. All references in these bylaws to the Corporations Code, the Nonprofit Corporation Law and the Nonprofit Public Benefit Corporation Law, shall be to the relevant provisions of the California Corporations Code now in effect and as hereafter amended. All references in these bylaws to the Welfare and Institutions Code and the Government Code, respectively, shall be to the relevant provisions of the California Welfare and Institutions Code and the California Government Code, respectively, now in effect and as hereafter amended. If anything contained within these

bylaws, including any delegation of authority or description of procedures, conflicts with the articles of incorporation or applicable law, the articles of incorporation to the extent not consistent with such law, and then such law, shall govern. The section, subsection, and paragraph headings in these bylaws are included for convenience only and shall not be used in any manner to interpret, construct, define, or to limit or extend the scope, intent or extent of these bylaws or the provisions hereof.

[Rev. 7/11; 7/15; 10/17; 11/19]

Section 6. Gender. As used in these bylaws, the masculine gender shall include both the masculine and the feminine gender.

Section 7. Public Inspection of Documents. The Corporation shall comply with the provisions of Section 6104 of the Internal Revenue Code and Section 301.6104(d) et. seq. of the Internal Revenue Regulations to provide copies of the following documents to members of the public who make a request for public inspection of documents:

- (a) The Corporation's Application for Recognition of Exemption (Form 1023) filed with the Internal Revenue Service ("IRS");
- (b) All documents submitted to the IRS in support of such Application;
- (c) All documents issued by the IRS with respect to the Application; and
- (d) All annual returns (e.g., Form 990, 990 PF or 990 EZ) filed with the IRS for the last three (3) accounting years preceding the request, provided however, information related to the names and addresses of contributors to the Corporation need not be included in the annual returns made available to members of the public. [Rev. 7/11; 10/17]

Section 8. Amendment of Bylaws. These bylaws and any part thereof may be amended and repealed and new bylaws may be adopted by the affirmative vote of a majority of the Directors. [Rev. 7/11]

## **ARTICLE VII**

### **Indemnification of Corporation's Agents**

Section 1. Indemnification In General. Subject to the terms, conditions, restrictions and limitations set forth in this Article VII, the Corporation shall, to the extent legally permissible under Section 5238 of the Nonprofit Corporation Law, indemnify its officers, Directors, agents and employees against expenses and liabilities reasonably incurred in connection with legal proceedings in which the officer, Director or employee may become involved in his or her capacity as a Director, officer or employee. The right of indemnification under this Article shall be in addition to and not exclusive of all other rights that any such persons may be entitled, shall continue as to persons who have ceased to be Directors, officers, agents or employees, and shall inure to the benefit of the heirs and personal representatives of the persons entitled to indemnification. [Rev. 7/11; 5/14]

Section 2. Rights Notwithstanding Amendment of this Article. No amendment or repeal of the provisions of this Article which adversely affects the right of a person to be indemnified under this Article shall apply to such person with respect to those acts or omissions which occurred prior to such amendment or repeal, unless such amendment or repeal was voted for or was made with the written consent of such person to be indemnified. [Rev. 7/11]

Section 3. Definitions. For purposes of this Article VII, the terms “agent”, “proceeding” and “expenses” shall have the following meanings:

(a) “agent(s)” means 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 member, director, officer, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise, or was a member, 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(s)” means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative or investigative; and

(c) “expenses” means, and includes without limitation reasonable attorneys’ fees, and any expenses of establishing a right to indemnification under Section 6 or Section 7, below.  
[Rev. 7/11; 5/14]

Section 4. Indemnification in Proceedings by Third Parties. The Corporation shall indemnify any agent who was or is a party, or is threatened to be made a party, to any proceeding (other than a proceeding by or in the right of the Corporation to procure a judgment in its favor, a proceeding brought under Section 5233 of the Nonprofit Corporation Law, or a proceeding brought 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 agent is or was an agent of the Corporation, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding if such agent acted in good faith and in a manner he or she reasonably believed to be in the best interests of the Corporation and, in the case of a criminal proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any proceeding by judgment, order, settlement, conviction or upon a plea of *nolo contendere* or its equivalent shall not, of itself, create a presumption that the agent did not act in good faith and in a manner which he or she reasonably believed to be in the best interests of the Corporation or that he or she had reasonable cause to believe that his or her conduct was unlawful.  
[Rev. 7/11]

Section 5. Indemnification in Proceedings by or in the Right of the Corporation. The Corporation shall indemnify any agent who was or is a party, or is threatened to be made a party, to any threatened, pending or completed proceeding by or in the right of the Corporation, or brought under Section 5233 of the Nonprofit Corporation Law (self-dealing transactions), or brought by the Attorney General or a person granted relator status by the Attorney General for breach of duty relating to assets held in charitable trust, to procure a judgment in the Corporation’s favor by reason of the fact that such agent is or was an agent of the Corporation, against expenses actually and reasonably incurred by such agent in connection with the defense or settlement of such proceeding if he or she acted in good faith, in a manner that he or she believed to be in the best interests of the Corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. No indemnification shall be made under this Section 5:

(a) in respect of any claim, issue or matter as to which such agent shall have been adjudged to be liable to the Corporation in the performance of his or her duty to the Corporation, unless and only to the extent that the court in which such proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, such agent is fairly and reasonably entitled to indemnity for the expenses which such court shall determine;

(b) of amounts paid in settling or otherwise disposing of a threatened or pending proceeding, with or without court approval; or

(c) of expenses incurred in defending a threatened or pending proceeding which is settled or otherwise disposed of without court approval unless it is settled with the approval of the Attorney General. [Rev. 7/11]

Section 6. Indemnification Against Expenses After Success on Merits. To the extent an agent of the Corporation has been successful on the merits in defense of any proceeding referred to in Sections 4 or 5, above, or in defense of any claim, issue or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith. [Rev. 7/11]

Section 7. Approval of Indemnification; Required Determinations. Except as provided in Section 6, above, upon the Corporation's receipt of a written request by a person seeking indemnification under this Article VII, the Board shall promptly determine whether indemnification is authorized by this Article in the specific case. Additionally, with respect to proceedings described in Sections 4 or 5, above, the Board shall make a determination of whether indemnification of the agent is proper because the agent has met the applicable standard of conduct set forth in Sections 4 or 5, above. Such determinations shall be made by:

(a) a majority vote of a quorum consisting of Directors who are not parties to such proceeding; or

(b) the court in which such proceeding is or was pending upon application made by the Corporation, the agent, or the attorney or other person rendering services in connection with the defense, whether or not such application by the agent, attorney or other person is opposed by the Corporation.

[Rev. 7/11; 5/14; 10/17; 11/19]

Section 8. Corporation's Advance of Expenses to Agent. Expenses incurred in defending any proceeding may be advanced to the agent by the Corporation prior to the final disposition of such proceeding upon the Corporation's receipt of an undertaking by or on behalf of the agent to repay the amount advanced unless it is ultimately determined that the agent is entitled to indemnification under this Article VII. [Rev. 7/11]

Section 9. Other Indemnification. No provision made by the Corporation to indemnify its agents or its subsidiary's agents for the defense of any proceeding, whether contained in the Corporation's articles of incorporation, these bylaws, a resolution of the Directors, an agreement or otherwise, shall be valid unless consistent with this Article VII. Nothing contained in this Article VII shall affect any right to indemnification to which persons other than such agents may be entitled by contract or otherwise. [Rev. 7/11]

Section 10. Other Restrictions on Indemnification. The Corporation shall not provide indemnification or advance any expenses under this Article VII, except as provided in Section 6 or Section 7, above, in any circumstance where it appears:

(a) that it would be inconsistent with a provision of the articles of incorporation, these bylaws, a resolution of the 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 of any proceeding.  
[Rev. 7/11; 5/14]

Section 11. Insurance. The Corporation shall have power to 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 the provisions of this Article VII, provided, however, the Corporation shall have no power to purchase and maintain such insurance to indemnify any agent of the Corporation for a violation of Section 5233 of the Nonprofit Corporation Law.

Section 12. Indemnification of Fiduciaries of Retirement and Benefit Plans. The Corporation shall indemnify and purchase and maintain insurance on behalf of any agent (as defined in Section 3(a), above), acting in his or her capacity as a trustee, investment manager, or other fiduciary (herein, "Fiduciary") of any pension, deferred compensation, saving, thrift, and other retirement incentive and benefit plans, trusts, and provisions maintained by the Corporation for any or all of its directors, officers, employees, and persons providing services to the Corporation or to the Corporation's subsidiary or related or associated corporations, if any, (herein, "Plan"), as permitted by Section 5140(f) of the Nonprofit Corporation Law. The indemnification of a Fiduciary of a Plan under this Section 12 shall be in lieu of indemnification under Sections 1 through 11 of this Article VII. Such Sections 1 through 11 shall not apply to any proceeding against a Fiduciary of a Plan (even though the Fiduciary may be an agent as defined in Section 3(a), above).  
[Rev. 7/11; 10/17]