

**BYLAWS  
OF THE  
R. J. FISHER HOME AND SCHOOL CLUB, INC.**

## **BYLAWS**

### **ARTICLE I - NAME**

The name of this corporation is the R.J. Fisher Home and School Club, Inc. (the "Club"). The Club is located at 19195 Fisher Avenue, in Los Gatos, California 95032.

### **ARTICLE II - PURPOSES**

The purposes of the R. J. Fisher Home and School Club, Inc. shall be charitable activities within the meaning of Section 501(c)(3) of the Internal Revenue code of 1986, as amended, and may be permitted under any successor sections of the Internal Revenue Code, providing an exemption from federal income tax for organizations that are organized and operated exclusively for charitable purposes. To the extent consistent with the foregoing, the activities of the Club shall include, but not be limited to the following:

1. To establish, promote and maintain open communication through positive working relationships between parents, faculty, and the community that enhance the educational environment of those children attending R.J. Fisher Middle School.
2. To support, promote, and enhance the best education possible for the students, and assist in the general welfare of R.J. Fisher Middle School by raising funds and volunteers to provide for various programs, supplies and equipment.
3. To conduct such other actions as the Board of Directors of the Club (the "Board") may determine will improve the educational, community and aesthetic life of R.J. Fisher Middle school.
4. The Club may undertake any and all lawful activities necessary for the carrying out of the aforesaid purposes.

### **ARTICLE III – BASIC POLICIES**

The basic policies of the Club are as follows:

1. The Club shall be non-commercial, non-sectarian, and non-partisan.
2. The name of the Club, or the names of any directors or officers of the Club, in their official capacities shall not be used to endorse or promote a commercial concern or a partisan interest or for any purpose not appropriately related to the promotion of the purposes of the Club. This prohibition shall not prevent the Club from displaying advertising of the Club's sponsors.
3. No substantial part of the activities of this corporation shall consist of carrying on propaganda or otherwise attempting to influence legislation, and the Club shall not directly or indirectly

participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of, or in opposition to, any candidate for public office.

4. The Club may cooperate with other districts, schools, clubs and groups that are concerned with child education and welfare, including donation of money to such entities upon the approval of the Board.

## **ARTICLE IV – MEMBERSHIP AND MEETINGS**

### **SECTION 1. Membership**

The Club shall have two classes of members designated as: General Members and Faculty Members. Membership is open only to parents or guardians of students attending R.J. Fisher Middle School, and to faculty members of the R.J. Fisher Middle School.

a) General Members will be limited to one membership and one vote per family, regardless of the number of children from that family attending R.J. Fisher Middle School, and regardless of family status. Each General Member must pay, within the time and on the conditions set by the Board, the dues to be fixed from time to time by the Board. The Board shall have authority to determine that membership in the Club may be free. Such dues shall be made on a per family basis and shall be equal for all General Members. Only upon the payment of such fee shall a General Member be entitled to vote. Those General Members who have paid the required dues in accordance with these bylaws shall be “members in good standing”.

b) Faculty Members are not required to pay dues. Only persons who are currently employed as faculty of the R.J. Fisher Middle School shall qualify as Faculty Members entitled to vote and shall be a “members in good standing”.

No membership, or right arising from membership, shall be transferred. The Club shall keep, in written or electronic form, a membership database containing the name and address of each member. The database shall also contain the date on which such membership term shall cease. A copy of the membership database shall be kept at main office of the school.

### **SECTION 2. Membership Voting**

Each family in good standing in the Club is entitled to vote for only the following:

a) The election of officers of the Club as set forth in Article IV, Section 3.

b) The expenditure of certain funds and the Club’s annual operating budget, both as described in Article VII, Section 2 (g) and (h).

c) The Club’s preliminary operating budget for the following fiscal year, as described in Article IV, Section 3.

d) Any unbudgeted expenditures of the Club greater than 10 percent of the annual budgeted gross income, as described in Article VII, Section 2 (h).

e) Those matters that the Board may determine in the exercise of its discretion should be submitted to a vote of the members.

f) Amendments to these bylaws as described in Article X.

g) Such other matters as may be required by these bylaws or California law.

Each family in good standing shall be entitled to one vote on those matters submitted to a vote of the members, or to exercise the rights of members under these bylaws. Only those persons who qualify as General Members in good standing will be entitled to act as officers of the Club.

### **SECTION 3. Annual Meeting of Members**

An annual meeting of the Members shall be held each year during the month of May at a place, date and time to be designated by the Board. At the annual meeting, the new officers of the Club for the succeeding year will be elected. The preliminary operating budget for the following fiscal year as presented by the treasurer, pursuant to Article VI, Section 4, shall be submitted to a vote of the members, and such other business as may be submitted to the vote of the members by the Board shall be conducted. Special meetings may be called by the Board, by the president, or by 20 percent or more of the members upon notice published pursuant to Article IV, Section 5.

### **SECTION 4. Proxies**

Members shall have the right to vote either in person (i.e. orally or by written ballot) or by an email proxy executed by such person or by his or her duly authorized agent and filed with the Secretary of the Club prior to the start of the meeting, provided, however, that no proxy shall be valid after eleven (11) months from the date of its execution unless otherwise provided in the proxy. In any case, however, the maximum term of any proxy shall be three (3) years from the date of its execution. No proxy shall be irrevocable and may be revoked following the procedures given in Section 5613 of the California Nonprofit Public Benefit Corporation Law.

All proxies shall state the general nature or the matter to be voted on and, in the case of a proxy given to vote for the election of officers, shall list those persons who were nominees at the time of the notice of the vote for election was given to the members. In any election of officers, any proxy which is marked by a member as "withhold" or otherwise marked in a manner indicating that the authority to vote in the election is withheld shall not be voted either for or against the election of a director or officer.

## **SECTION 5. Notice of Meeting**

All notices of meetings, including the annual meeting, of the members shall be given by the usual and customary method of distributing information to students or families, including, but not limited to, various electronic media, website posting, weekly newsletter or by email, and shall specify the date, time and location of the meeting, along with the general nature of the business to be transacted. Notice for the annual meeting must also include the nominees for election. Notice of meetings of the members shall be given at least ten (10) days prior to the date of the meeting.

## **SECTION 6. Quorum of Members**

A quorum of the members necessary to hold a valid meeting of the members at which the approval of the members is being solicited shall consist of not less than ten (10) members and a majority of directors. Unless otherwise required by the bylaws, the vote of a majority of the members present shall be sufficient to approve all matters submitted to the members. The vote may be conducted by either a simple show of hands or by a written ballot. In the event of a tie vote, the issue is to be opened for further debate. A second vote will be taken. If the issue is not resolved by the second vote, the motion shall fail.

Except as otherwise provided by the bylaws, the Articles of Incorporation of this Club, or by law, no business shall be considered by the members as any voting meeting of the members at which a quorum of members is not present, and the only motion which the president shall entertain at such meeting is a motion to adjourn. The members present at a duly called and held meeting at which a quorum of members is initially present may continue to do business notwithstanding the loss of a quorum at the meeting due to a withdrawal of members from a meeting, provided that any action thereafter taken must be approved by at least a majority of the required quorum of members for such meeting or such greater percentage as may be required by law, the Articles of Incorporation or the bylaws of this Club.

## **ARTICLE V - OFFICERS**

### **SECTION 1. Qualifications of Officers**

Each officer of the Club must be a current General Member of the Club and must have a child enrolled as a student at R.J. Fisher Middle School.

### **SECTION 2. Officers**

The officers of the Club shall be as follows:

- a) president,
- b) fundraising chair
- c) secretary,

- d) treasurer,
- e) parliamentarian,
- f) coordinator community chair
- g) student enrichment chair
- h) communications chair,
- i) and the Club may also have, at the Board's discretion, co-chairs for any position, and/or one or more additional directors.

Two persons may hold any single office. Each office shall be entitled to one vote and shall count as one membership towards the constitution of a quorum of the directors. If two people hold an office, only one vote may be counted, as agreed upon by the co-chairs. Disagreement by the co-chairs will constitute a no vote for their office.

In no event shall one person hold more than one office, nor shall the office of president be held by the same person serving as either the treasurer or the secretary, pursuant to Cold Section 5213(a) of the California nonprofit Public Benefit Corporation Law.

### **SECTION 3. Recruitment Committee**

The recruitment committee is charged with finding members in good standing to serve as officers of the Club. The recruitment committee shall identify people qualified to serve as officers of the Club at least one month prior to the annual meeting of the members. The recruitment committee shall consist of the community chair and the Club parliamentarian. The committee shall meet in February and shall serve until the completion of the annual meeting. Once members have been recruited, and have signified their consent to serve if elected, they shall be nominated for office. Their names shall be placed on the ballot to be voted upon by the membership at the annual meeting of the members.

### **SECTION 4. Election of Officers**

The election of the officers shall be held at the annual meeting of the members of the Club as described in Article IV, Section 3.

### **SECTION 5. Term of Officers**

Officers shall assume their duties on August 1st and shall serve for the duration of their terms, which will end on July 31st. In the event of the resignation of an officer, the successor will be appointed by the Board as indicated in Article V, Section 6. If an officer chooses not to continue on the Board for the following year, notice should be given to the Recruiting Committee by March 1st. The outgoing treasurer will continue to work with the incoming treasurer to complete the fiscal year responsibilities.

### **SECTION 6. Vacancy**

A vacancy occurring in any office shall be filled for the unexpired term by a person who is appointed by the Board. The appointment to fill a vacancy shall require a majority vote of the Board.

## **ARTICLE VI – DUTIES OF OFFICERS**

### **SECTION 1. Duties of the President**

The President shall:

- a) Empower and support the work of the Board, the officers, and the committees of the Club in order that the purposes of the Club may be accomplished.
- b) Preside at all meeting of the members of the Club and of the Board, set the Club's calendar with input from the officers and other stakeholders.
- c) Solicit monthly updates from each of the officers, with assistance from the Secretary.
- d) Set the Club's agendas with the assistance from the Secretary and input from the officers' input, as described in Article VI, Section 1(c).
- e) Preside at all Club member meetings and Board meetings.
- f) Be an ex officio member of all Club committee.
- g) Have the right to expend up to the sum of \$250 per item to promote the purposes of the Club. The cumulative amount of these unbudgeted expenditures is not to exceed, \$1,000 per fiscal year. Unbudgeted expenditures of sums greater than \$250 or cumulatively in excess of \$1,000 must be approved by the Board as described in Article VII, Section 2(h).
- h) Attend meetings as needed representing the interests of the Club such as, but not limited to, the H&SC Resource Council, the Student Advisory Council (SAC), and R.J. Fisher Middle School Board meetings.
- i) Be responsible for coordinating events highlighting the Club's purpose to members and potential members.
- j) Represent the Club at school wide events.
- k) Perform such other duties as may be prescribed in these bylaws or assigned to her or him by the Board.

### **SECTION 2. Duties of the Fundraising Chair**

The fundraising chair shall:

- a) Attend all meetings of the Club and of the Board.
- b) Act as the Board liaison for each of the Club's fundraisers.
- c) Work with the President and each fundraiser in setting the calendar for events.
- d) Provide regular updates of Club fundraisers to the Board.
- e) Solicit budgets of fundraising events prior to each fundraising event, to be presented to the Board, as well as final results post each event.
- f) Chair the Fuel the Fund fundraiser, including but not limited to the following duties:
  - i. presenting at strategy during the spring budgeting process
  - ii. working with the communications chair on marketing
  - iii. working with the treasurer to provide monthly updates in progress
- g) Perform such other duties as may be prescribed in these bylaws or assigned to her or him by the Board.

### **SECTION 3. Duties of the Secretary**

The Secretary shall:

- a) Attend all meetings of the Club and of the Board and keep an accurate record of the proceedings of all meetings of the members of the Club and of the Board, and be prepared to refer to the minutes of previous meetings.
- b) Give notice of all meetings of the members, and of the Board required by these bylaws to be given, as stated in Article IV, Section 5.
- c) Record the time and place a meeting was held, if the meeting was annual, regular, or special, notice given, the names of those present at all meetings, all financial decisions, motions, and voting results in the minutes.
- d) Keep a database of all the members of the Club in accordance with Article IV, Section I of these bylaws.
- e) Perform such other duties as may be prescribed in these bylaws or assigned to her or him by the Board.

#### **SECTION 4. Duties of the Treasurer**

The Treasurer shall:

- a) keep, or cause to be kept, adequate and correct books and accounts of the Club's properties and transactions,
- b) Disburse the Club's funds as the Board may order.
- c) Secure two signatures on all checks. Any two of the following are authorized to sign: president, treasurer, and parliamentarian.
- d) Reconcile bank statements and provide them to a secondary board member or a co-treasurer.
- e) Deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the corporation with such depositories as the Board may designate.
- f) Prepare and present monthly financial statements, including a Balance Sheet, Profit and Loss Statement, and a year-to-date comparison to budget, at every regular meeting of the Club and at other times when requested by the Board.
- g) Prepare and present an operating budget for the current fiscal year at the regular September meeting of the members.
- h) Prepare and present a preliminary operating budget for the next fiscal year at the annual meeting of the members as described in Article IV, Section 3.
- i) Prepare, or have prepared, those reports, filings and statements as may be required by the Internal Revenue Service and the California Franchise Tax Board,
- j) Review all insurance contracts.
- k) Handle bank relations and investing.
- l) Attend all meetings of the Club and of the Board.
- m) Sit on the School Advisory Council (SAC) as non-voting member.
- n) Ensure the integrity of online accounts by maintaining the database of account usernames and passwords, changing the passwords annually, and minimizing access to accounts to only the president, co-treasurer, and the any Club member determined by the Board to need account access.
- o) After leaving office, work with the incoming treasurer to close out the fiscal year,

p) Perform such other duties as may be prescribed in these Bylaws or as assigned by the Board.

## **SECTION 5. Duties of Parliamentarian**

The Parliamentarian shall:

a) Act as an aid to the president and perform the duties of the president in the absence or disability of the president to act.

b) Attend all meetings of the Club and of the Board and give necessary advice in parliamentary procedure when requested.

b) Participate as a Chair of the Recruitment Committee with the Community Chair, and conduct the election process for voting.

c) Review bylaws and standing rules as needed.

d) Keep a current copy of the Articles of Incorporation and the bylaws as amended to date posted on the Club's website.

e) Perform such other duties as may be prescribed in these bylaws or assigned to her or him by the Board.

## **SECTION 6. Community Chair**

The Community Chair shall:

a) Attend all meetings of the Club and of the Board.

b) Act as the Board liaison for the school's community programs.

c) Work with the president and community programs in setting the calendar for events.

d) Solicit regular updates from the community programs and report progress and any problems to the Board.

e) Identify, coordinate, and recruit parent volunteers as requested by officers of the Club, school administration and community programs.

f) Serve on the Recruitment Committee, with the parliamentarian, to identify and recruit members of the Board for the next school year.

g) Perform such other duties as may be prescribed in these bylaws or assigned to her or him by the Board.

### **SECTION 7. Student Enrichment Chair**

The Student Enrichment chair shall:

- a) Attend all meetings of the Club and of the Board.
- c) Act as the Board liaison for the school's student enrichment programs.
- d) Work with the president and student enrichment programs in setting the calendar for events.
- e) Solicit regular updates from the student enrichment programs and report progress and any problems to the Board.
- f) Work with the community chair to recruit parent volunteers for student enrichment events.
- g) Perform such other duties as may be prescribed in these bylaws or assigned to her or him by the Board.

### **SECTION 8. Communications Chair**

The Communications Chair shall:

- a) Attend all meetings of the Club and of the Board.
- b) Be the liaison with, or assume the roles of, the Fisher Flyer Editor/Publisher and Web Master.
- c) When needs are identified by the Board for mass distribution to Members, create copy and coordinate the distribution of mailers, email campaigns, and signage.
- d) Provide regular updates to the Board.
- e) Perform such other duties as may be prescribed in these bylaws or assigned to her or him by the Board.

### **SECTION 9. Duties of Other Officers**

The Board may authorize by resolution, the election of other officer that the Club may require in accordance with Article V, Section 2 of these bylaws. Each officer so elected, shall have the title, hold office for the period, have the authority and perform the duties as determined by the Board. The duties of the president, secretary, treasurer, and/or parliamentarian as specified in

these bylaws may be reassigned to one of these other officers by resolution of the Board, provided such designation does not conflict with California law.

### **SECTION 10. Duties upon End of Office**

Upon the expiration of the term of office, or in the case of resignation or termination, each officer shall turn over to the president, without delay, all records, books and other material pertaining to the office and shall return to the treasurer, without delay, all funds belonging to the Club. The outgoing treasurer shall work with the incoming treasurer to complete all financial matters for the fiscal year.

## **ARTICLE VII – THE BOARD OF DIRECTORS**

### **SECTION 1. Board of Directors**

The Board of Directors shall consist of the same number of officers, as are elected annually pursuant to Article V, Section 4, and the Principal. The exact number of directors shall be fixed by a resolution adopted by the Board of Directors, consistent with Article V, Section 2 above. The officers shall be elected by the members at the annual meeting of the members of the Club as set forth in Article IV and shall serve for their term or until their successors are appointed or elected. The school Principal may not hold any office of the Club and is a non-voting member of the Board.

### **SECTION 2. Authority and Duties of the Board**

The business and affairs of the Club shall be supervised, controlled, directed and managed by, or under the direction of, the Board of Directors, which may exercise all such powers of the Club and do all such lawful acts and things as are not prohibited by statute, or by the Articles of Incorporation, or by these bylaws. The Board of Directors may adopt such lawful rules and regulations for the conduct of the business of the Club as shall be deemed advisable, and may, in the execution of the powers granted, appoint such agents as it may consider necessary or desirable. The Board of Directors may delegate the management of the activities of the corporation to any person or persons, management company, or committee, however composed, provided that the activities and affairs of the Club shall be managed, and all corporate powers shall be exercised under the ultimate direction of the Board. Pursuant to California Corporations Code Section 5227, not more than 49 percent of the directors may be compensated for their work as officers of the Club.

The Board:

a) Shall have the authority to manage the affairs of the Club, and all powers and actions of the Club will be exercised by or under the direction of the Board. By way of example, the Board will have authority to manage affairs, funds and property of the Club. Except as otherwise provided

in these bylaws, the Board may establish and delegate performance of duties and exercise of powers to officers and agents of the Club from time to time,

- b) Shall create committees as it deems necessary to promote the objectives of the Club,
- c) Shall provide appropriate support to all committee volunteers, as needed to accomplish both the purpose for the committee was appointed by the Board, and the specific purposes of the Club, as defined in Article II,
- d) Shall fill all vacancies in office as they may exist from time to time.
- e) Shall present, as the regular meeting of the members to be held in September of each year, the annual report (including financial statements).
- f) Shall receive a financial report from the treasurer at each meeting.
- g) Shall approve by a two-thirds vote the operating budget of the Club for each fiscal year and shall submit such budget for approval by the members at the regular meeting of the members to be held in September of each year. At such meeting, the Board shall also present the goals of the Club to the members.
- i) Shall approve any unbudgeted expenditures of the Club less than 10 percent of the Club's annual budgeted gross income. Unbudgeted expenditures of \$250 or less may be approved by the Club President pursuant to Article VI, Section 1 (g). Unbudgeted expenditures exceeding 10 percent of the annual budgeted gross income must be approved by the members pursuant to Article IV, Section 2 (d).
- j) And shall approved by a two-thirds vote, the preliminary operating budget of the Club for the following fiscal year and shall submit such budget for approval by the members at the annual meeting of the members, as described in Article IV, Section 3.

### **SECTION 3. Meetings of the Board**

- a) **Board Meetings.** The Board shall conduct regular monthly meetings of the directors during each school year. The Board may invite persons who are members or non-members of the Club to attend Board meetings if they determine it is in the best interest of the Club to do so.
- b) **Special Meetings.** Special meetings of the board may be called by the President and shall be called upon the written request of any director.
- c) **Quorum of the Directors.** A majority of the officers represented by a director, or directors in the case of two people holding an office, will constitute a quorum for the transaction of business by the Board. As stated in Article V, Section 2, each office shall be entitled to one vote and shall count as one membership towards the constitution of a quorum of the directors. If two people

hold an office, only one vote may be counted, as agreed upon by the co-chairs. Disagreement by the co-chairs will constitute a no vote for their office. Only voting members may be considered for a quorum. Every act of decision made by a majority of the officers present at a meeting duly held at which a quorum of the directors is present is the act of the Board, unless California law or these bylaws require a greater number. In the event of a tie vote, the motion fails.

d) **Notice.** Regular meetings of the Board may be held without notice if the time and place of such meetings are fixed or by resolution of the Board. Notice of any special meetings of the Board must be given to each director at least (i) 5 days in advance if delivered by mail, or (ii) 48 hours before the time set for the meeting, if delivered personally, by telephone, facsimile, electronic mail, or other electronic means.

e) **Waiver of Notice.** Notice of a meeting need not be given to any director who, either before or after the meeting, signs a waiver of notice, a written consent to the holding of the meeting, or an approval of the minutes of the meeting. All such waivers, consents and approvals shall be filed with the Club records or made a part of the minutes of the meetings. Notice of a meeting need not be given to any director who attends the meeting and does not protest, before or at the commencement of the meeting, the lack of notice to him or her.

f) **Action by Board without Meeting.** Any action permitted to be taken by the Board may be taken without a meeting, if all directors consent in writing to such action. Written communication through electronic means will be considered an acceptable method of consent. All such consents and approvals shall be filed with the Club records or made part of the minutes of the meetings.

#### **SECTION 4. Removal of Directors**

Any director may be removed "for cause" by a vote of two-thirds of the directors of the Board or by a vote of a majority of the required quorum of members as defined in Article IV, Section 6. "For Cause" shall mean, among other things, that a director shall have missed three consecutive meetings of the Board or fails to support the purposes of the Club as defined in Article II.

### **ARTICLE VIII - COMMITTEES**

#### **SECTION 1. Creation of Committees**

The Board may create those committees that it deems necessary to carry out the work of the Club.

#### **SECTION 2. Committee Chairs**

The chairs of the committees shall be appointed by the Board. The terms of office of the committee chairs shall be such terms as may be established by the Board from time to time.

### **SECTION 3. Board Approval of Committees**

At the Board's discretion, the committee chairs shall present proposals that describe the manner in which the committee intends to accomplish the purpose for which the committee was appointed by the Board. The Board shall review and approve such a proposal before the committee is authorized to conduct any actions on behalf of the Club. As a condition to approving the proposal, the Board may require that the committee provide regular reports to the Board as to the status of its activities. No member of a committee shall have any authority to sign any agreement or otherwise contractually bind the Club in any way. Only committees consisting solely of voting Board members may exercise the powers of the Board.

### **SECTION 4. Committee Records**

Each committee chair shall keep written records of all receipts and disbursements of the committee and provide an annual summary of activities to the Board no later than May 31st or other date set by the approval of the Board.

### **SECTION 5. Duties upon Expiration of Committee**

Upon the expiration of the term of a committee chair or in case of resignation or termination, each committee chair shall turn over to the president, without delay, all Club funds, records, books, records of receipts and disbursements, and other material belonging to the Club no later than May 31st.

## **ARTICLE IX – PARLIAMENTARY AUTHORITY**

The rules contained in the current edition of Robert's Rules of Order Newly Revised shall govern the Club where they are applicable and do not conflict with the bylaws, except by resolution of the Board of Directors.

## **ARTICLE X - AMENDMENTS**

Subject to any provision of California law applicable to the amendment of these bylaws, these bylaws may be altered, amended, or repealed, and new bylaws adopted at any meeting of the members by a two-thirds approval of those members present, provided that the requirements for a quorum and proper notice of such amendment is met, consistent with Article IV, Sections 5 and 6.

## **ARTICLE XI – LIABILITY & INDEMNITY**

## **SECTION 1. No Personal Liability**

No officer or director of the Club will be personally liable for the debts, liabilities or obligations of the Club unless such debts, liabilities or obligations were incurred by such officer or director and the conduct creating such debt, liability or obligation was not authorized by the Club or these Articles.

## **SECTION 2. Covered Persons Not Liable**

No officer, director or agent of the Club (collectively, the "Covered Persons") will be liable to the Club or any other person who has an interest in or claim against the Club for any loss, damage or claim incurred by reason of any act or omission performed or omitted by such Covered Person in good faith or on behalf of the Club and in a manner reasonably believed to be within the scope of the authority conferred on such Covered Person by these bylaws, the Club's Articles of Incorporation, or applicable law.

## **SECTION 3. Indemnity**

To the fullest extent permitted by law, this Club shall indemnify its directors, officers and other persons described in California Clubs Corporations Code Section 5238(a), including persons formerly occupying any such positions, against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred by them in connection with any "proceeding", as that term is used in that section, and including any action by or in the right of the Club, by reason of the fact that the person is or was a person described in that section. "Expenses," are used in these bylaws, shall have the same meaning as in that section of the California Corporations Code.

On written request to the Board by any person seeking indemnification under California Corporation Code Section 5238(b) or Section 5238(c), the Board shall promptly decide under California Corporation Code Section 5238 (e) whether the applicable standard of conduct set forth in California Corporation's Code Section 5238(b) or Section 5238(c) has been met and, if so, the Board shall authorize indemnification. If the Board cannot authorize indemnification, because the number of directors who are parties to the proceeding with respect to which indemnification is sought prevents the formation of a quorum of directors who are not parties to that proceeding, the Board shall promptly call a meeting of the members. At that meeting, the members shall determine under California Corporation Code Section 5238 (e) whether the applicable standard of conduct has been met and, if so, the members present at the meeting in person shall authorize indemnification.

To the fullest extent permitted by law and except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification under these bylaws in defending any proceeding covered by this Section shall be advanced by the Club before final disposition of the proceeding, on receipt by the Club of an undertaking by or on behalf of that

person that the advance will be repaid unless it is ultimately found that the person is entitled to be indemnified by the Club for those expenses.

#### **SECTION 4. Insurance**

The Club has the right to purchase and maintain insurance to the full extent permitted by law on behalf of its officers, directors, and other agents, to cover any liability asserted against or incurred by any officer, director, or agent in such capacity or arising from the officer's, director's, or agent's status as such.