

**FOURTH AMENDED BYLAWS OF THE
SAN DIEGO LIONS WELFARE FOUNDATION
A California Public Benefit Corporation**

ARTICLE I: OFFICES

SECTION 1. PRINCIPAL OFFICE

The Corporation's principal office is located at 310 Market Street, San Diego, CA, 92101-6944.

SECTION 2. CHANGES OF ADDRESS

The Corporation's principal offices may be changed by amendment of these Bylaws.

SECTION 3. OTHER OFFICES

The Corporation may have additional offices as may be established by the Board of Trustees, (Board).

ARTICLE II: PURPOSE

SECTION 1. OBJECTIVES AND PURPOSES

- a) The Corporation is a non-profit public benefit corporation that is non-commercial, nonprofit, non-sectarian, non-partisan, interracial organization. The objectives of the Corporation are to assume the administration of, create, invest, maintain and otherwise administer the fund known as the "Welfare Foundation of the Lions Club of San Diego", (hereinafter the fund), which is to be used for the promotion of the welfare of humanity, including sight impaired, hearing impaired and the underprivileged. This expression of the purpose of the fund is illustrative rather than restrictive, and the fund may be used, within the sound discretion of the Board, for any philanthropic project or purpose that is within the scope of activities allowed under applicable tax laws and regulations to maintain the Corporation's tax exempt status.
- b) The Corporation will distribute its income for each tax year as such times and in such manner as not to become subject to tax on undistributed income imposed by applicable state and federal law, including the provision of Section 4942 of the Internal Revenue Code of 1986 or corresponding provisions of any later federal tax laws.
- c) The Corporation will not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code of 1986.

- d) The Corporation will not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code of 1986, or corresponding provisions of any later federal tax laws.
- e) The Corporation will not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code of 1986, or corresponding provisions of any later federal tax laws.

ARTICLE III: TRUSTEES

SECTION 1. NUMBER

The Corporation shall have a Board of nineteen (19) Trustees plus any Emeritus Trustees appointed by the Board. The members of the Board must be members of the Lions Club of San Diego. The number of Trustees may be changed by amendment of these Bylaws.

SECTION 2. SELECTION AND TERM

- a) Each immediate past president of the Lions Club of San Diego shall be a Trustee for the next following three (3) years.
- b) The president of the Lions Club of San Diego shall appoint three (3) Trustees from the Board of Directors or officers of said club, who, along with the president shall serve a term of one (1) year.
- c) The remaining Trustees shall be selected from and elected by the membership of the Lions Club of San Diego; none of these remaining trustees are to be an officer, director or one of the three (3) immediate past presidents of said club. The terms and elections of these remaining Trustees shall be staggered annually so that (3), (4), or (5) Trustees are elected each year. All of these Trustees shall be elected for a term of three (3) years.
- (d) Except for any Emeritus Trustees, no person shall be elected for more than two consecutive terms and no Trustee shall serve, by election and/or appointment, for more than eight (8) consecutive years.
- (e) The Board, by unanimous vote of the Trustees present at any duly held meeting, may appoint one or more Emeritus Trustees, who shall serve for life in non-voting positions that do not count towards a quorum.

SECTION 3. POWER AND DUTIES OF TRUSTEES

It is the power and duty of Trustees to:

- a) Perform any and all duties imposed on them collectively or individually by law, the Articles of Incorporation, or these Bylaws.

- b) Appoint, and remove, employ and discharge, and except as otherwise provided in these Bylaws, prescribe the duties and fix the compensation, if any, of all officers, agents and employees of the Corporation.
- c) Supervise all officers, agents and employees of the Corporation to assure that their duties are performed properly.
- d) Meet at such times and places as required by these Bylaws.
- e) Register their addresses with the Secretary/Chief Financial Officer of the Corporation, and notices of meetings mailed, transmitted via FAX or E-mail, to them at such addresses shall be valid notices thereof.
- f) Buy, sell, hold, invest and reinvest any and all monies and properties received and acquired by the Corporation, and exercise any and all rights of ownership to the benefit of the Corporation.
- g) Expend, in compliance with these Bylaws and applicable state and federal law, such portions of income and/or corpus as the Board in its discretion determines is appropriate to fulfill the purposes of the Corporation.
- h) Apportion any losses to principal or income as it deems best.

SECTION 4. COMPENSATION

Trustees shall serve without compensation, but shall be allowed reasonable reimbursement for expenses as the Board may allow.

SECTION 5. RESTRICTION REGARDING INTERESTED TRUSTEES

Notwithstanding any other provision of these Bylaws, none of the Trustees may be interested persons. For purposes of this Section, "interested persons" means either:

- a) Any person compensated by the Corporation for services rendered it within the previous twelve (12) months, whether as a full or part-time officer or other employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a Trustee as Trustee; or
- b) Any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any such person.

SECTION 6. PLACE OF MEETING

Meetings of the Board shall be held at the principal office of the Corporation or such other location designated from time to time by resolution of the Board. In the absence of such designation, any meeting' not held at the principal office of the Corporation shall be valid only if held with the consent of all Trustees given either before or after the meeting and lodged with the Secretary/Chief Financial Officer of the Corporation or after all Trustees have been given written notice of the meeting as hereinafter provided for special

meetings of the Board.

SECTION 7. REGULAR MEETINGS

Regular meetings of the Board shall be held on the day and time determined from time to time by the Board, unless the day falls on a legal holiday, in which event the regular meeting shall be held as designated by the Board.

SECTION 8. SPECIAL MEETINGS

Special meetings of the Board may be called by the Chairperson or by any five (5) Trustees, and shall be held at the principal office of the Corporation.

SECTION 9. NOTICE OF MEETINGS

Regular meetings of the Board may be held with out notice. Special meetings of the Board shall be held on four (4) days notice by first-class mail with a post mark of the previous day (fifth day) or forty-eight (48) hours notice personally delivered by hand, by telephone, E-mail or FAX. If sent by mail, E-mail, or FAX, the notice shall be deemed to be delivered on its deposit in the mails or by its transmission by E-mail or FAX. Notices shall be addressed to each Trustee at his or her address as shown on the books of the Corporation. Notice of the time and place of holding an adjourned meeting need not be given to absent Trustees if the time and place of the adjourned meeting are fixed at the meeting adjourned and if such adjourned meeting is held no more than twenty-four (24) hours from the original meeting. Notice shall be given of an adjourned regular or special meeting to trustees absent from the original meeting if the adjourned meeting is held more than twenty-four (24) hours from the time of the original meeting.

SECTION 10. CONTENTS OF NOTICE

Notice of Board meetings if required shall specify the place, day and hour of the meeting. The purpose of any Board meeting need not be specified in the notice except as otherwise provided in the Bylaws.

SECTION 11. WAIVER OF NOTICE AND CONSENT TO HOLDING MEETING

The transaction of any meeting of the Board, however called and noticed or wherever held, are as valid as though the meeting had been duly held after proper call and notice, provided a quorum, as herein after defined, is present and provided that either before or after the meeting each Trustee not present signs a waiver of notice, a consent to holding the meeting, or an approval of the minutes thereof. All waivers, consents, or approvals, shall be filed with the Corporate records or made a part of the minutes of the meeting.

SECTION 12. QUORUM FOR MEETINGS

- a) A quorum shall consist of a majority of the Trustees then in office. A Trustee is present at a meeting if attending in person, by teleconference or videoconference.
- b) The Trustees present at a meeting at which a quorum is initially present may continue to do business notwithstanding the loss of a quorum at the meeting due to a withdrawal of Trustees from the meeting, provided that any action thereafter taken must be approved, by at least a majority of the required quorum.
- c) When a meeting is adjourned for lack of a quorum it shall not be necessary to give any notice of the time and place of the adjourned meeting or of the business to be transacted at such meeting, other than by announcement at the meeting at which the adjournment is taken, except as provided in Section 10 of this Article.
- d) In the absence of a quorum, any meeting of the Trustees may be adjourned from time to time by the vote of a majority of the Trustees present, but no other business shall be transacted at the meeting.

SECTION 13. MAJORITY ACTION AS BOARD ACTION

Every act or decision done or made by a majority of the Trustees present at a meeting duly held at which a quorum is present is the act of the Board, unless the Articles of Incorporation, these Bylaws, or provisions of the California Nonprofit Public Benefit Corporation law, including those provision relating to appointment of committees (Section 5212), approval of contracts or transaction in which a Trustee has a material financial interest (Section 5233) and indemnification of Trustees (Section 5238) require a greater percentage or different voting rules from approval of a matter by the Board.

SECTION 14. CONDUCT OF MEETINGS

- a) Board meetings shall be presided over by the Chairperson, or, in his or her absence, the Vice Chairperson or in his or her absence, by a Temporary Chairperson chosen by a majority of the Trustees present. The Secretary/Chief Financial Officer of the Corporation shall act as Secretary of all meetings of the Board, provided that in his or her absence, the Chair shall appoint another person to act as Secretary of the meeting.
- b) Board meetings shall be governed by the most current issue of Roberts' Rules of Order, insofar as such rules are not inconsistent with or in conflict with these Bylaws, the Articles of Incorporation, or the provisions of law.

SECTION 15. VACANCIES

- a) Vacancies on the Board shall exist on the death, resignation, or removal of any Trustee, when the number of Trustees authorized is increased, and on the failure in any election to elect the full number of Trustees authorized.
- b) Vacancies on the Board may be filled by a majority of the Trustees then in office, or by the sole remaining Trustee.
- c) Except as provided in these Bylaws, any Trustee may be removed without cause if such removal is approved by a vote of 2/3 majority of the entire Board after fifteen (15) days advance notice to each Trustee that this item will be on the agenda. Should any Trustee fail to attend four consecutive regular meetings of the Board without excuse acceptable to a majority of the Board, then the Board may declare that Trustee's term of office vacated and appoint a successor to serve the unexpired term.
- d) Any Trustee may resign effective on giving written notice to the Chairperson of the Board, the Secretary/Chief Financial Officer, or the Board, unless the notice specified a later time for the effectiveness of such resignation. If the resignation is effective at a future time, a successor may be elected to take office when the resignation becomes effective. A Trustee shall not resign if the Corporation would then be left without a duly elected Trustee or Trustees in charge of its affairs.

SECTION 16. NON-LIABILITY OF TRUSTEES.

The trustees shall not be personally liable for the debts, liabilities, or other obligations of the Corporation. It is the intent of the Corporation to provide for and accommodate the maximum protection of the Trustees and Officers as provided under California Corporations Code § Section 5047.5, and shall maintain at the corporation's expense a general liability insurance policy in sums as follows:

- 1) If the corporation's annual budget is less than fifty thousand dollars (\$50,000), the minimum required amount is five hundred thousand dollars (\$500,000).
- 2) If the corporation's annual budget equals or exceeds fifty thousand dollars (\$50,000), the minimum required amount is one million dollars (\$1,000,000).

SECTION 17. INDEMNIFICATION OF CORPORATE AGENTS AND INSURANCE

The Corporation shall indemnify trustees, officers, employees and other agents of the Corporation, and shall maintain insurance on their behalf for liability asserted against

them in their capacity as agents of the Corporation, as set forth in California Corporations Code Section 5238.

ARTICLE IV OFFICERS

SECTION 1. OFFICERS

The officers of the Corporation shall be a Chairperson of the Board who shall be the chief executive officer of the Corporation, a Vice-Chairperson, a Secretary/Chief Financial Officer, and such other officers with such titles and duties as shall be determined by the Board and as may be necessary to enable it to sign instruments. Any number of offices may be held by the same person, except that the Secretary/Chief Financial Officer shall not serve concurrently as the Chairperson or Vice-Chairperson. Officers must be members of the Board.

SECTION 2. CHAIRPERSON

- a) The Chairperson shall be the general manager and chief executive officer of the Corporation and shall, subject to the control of the Board, have supervision, direction, and control of the business and affairs of the Corporation. The Chairperson shall perform all duties incident to the office of Chief Executive Officer and such duties as may be required by law, the Articles of Incorporation of the Corporation, these Bylaws, or which may be prescribed from time to time by the Board. The Chairperson is authorized to exercise any right to vote or execute a proxy to vote shares of stock, bond, debentures and/or other evidences of indebtedness owned or possessed by the Corporation.
- b) The Board shall elect the Chairperson at the regular July meeting.
- c) The Chairperson nominee, if eligible, shall be the Immediate Past Vice Chair of the Corporation.

SECTION 3. VICE-CHAIRPERSON

- a) The Vice-chairperson shall, in the absence, unavailability or incapacity of the Chairperson, have all of the rights, powers and duties of the Chairperson.
- b) The Board shall elect the Vice-chairperson at the regular July Meeting.
- c) The Vice-Chairperson nominee, if eligible, shall be the Immediate Past President of the Lions Club of San Diego.

SECTION 4. SECRETARY/CHIEF FINANCIAL OFFICER

- a) The Secretary/Chief Financial Officer shall keep or cause to be kept at the principal office of the Corporation, or such other place as the Board may order, a book of minutes' of all meetings of the Board. The Secretary/Chief Financial Officer shall perform other and further duties as may be required by law or as may be prescribed or required from time to time by the Board. The Secretary/Chief Financial Officer of the Corporation shall keep or cause to be kept and maintained in written form or in any other form capable of being converted into written form adequate and correct books and records of accounting the properties and business transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, and losses. The books and records of account shall at all times be open to inspection by any Trustee of the Corporation. The Secretary/Chief Financial Officer shall deposit all monies and other valuables in the name of, and to the credit of, the Corporation with such depositaries as may be assigned by the Board. The Secretary/Chief Financial Officer shall render to the Chairperson and the Trustees, on request, an account of all such transaction as Secretary/Chief Financial Officer, and of the financial condition of the Corporation. The Secretary/Chief Financial Officer shall furnish a report of investment expenses to the Board at least semi-annually. The Secretary/Chief Financial Officer shall perform such other and further duties as may be required by law or as may be prescribed or required from time to time by the Board.
- b) The Board shall elect the Secretary/Chief Financial Officer at the regular July meeting.

SECTION 5. RESIGNATION AND REMOVAL OF OFFICE

Any officer may resign at any time on written notice to the Corporation. Officers may be removed with or without cause at any meeting of the Board. In the event of a vacancy in any office the Board may elect a person to fill such office by a majority of Trustees present at a duly held meeting at which a quorum is present.

ARTICLE V COMMITTEES

Section 1: Board Committees

- a) The Board may have such committees, standing or temporary, as deemed desirable and necessary in the best interest of the Corporation and to facilitate the activities of the Board.
- b) Committees shall be composed of Members of the Lions Club of San Diego and chaired as appointed by the Chairperson of the Board with the advice and consent of the Board.

- c) Committee members shall serve at the will of Board. No committee members shall take any action except as expressly approved by the Board.

ARTICLE VI EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS

SECTION 1. EXECUTION OF INSTRUMENTS

Except as otherwise provided in these Bylaws, the Board may by resolution, authorize any officer or agent of the Corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority maybe general or confined to a specific instance. Unless so authorized, 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 monetarily for any purpose or in any amount.

SECTION 2. CHECKS AND NOTES

Except as otherwise determined by the resolution of the Board, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of the Corporation shall be signed by any two of, the Secretary/Chief Financial Officer, Chairperson, Vice-chairperson, President of the San Diego Lions Club.

SECTION 3. DEPOSITS

All funds of the Corporation shall be deposited to the credit of the Corporation in such banks, trust companies, or other depositories as the Board may select.

SECTION 4. GIFTS

- a) The Board may accept on behalf of the Corporation any contribution, gift, grant, devise, or bequest for the charitable or public purposes of the Corporation. The Board reserves the right to refuse any gift, contribution, grant, devise, or bequest.
- b) All contributions, gifts, grants, proceeds from fund raising activities, devise or bequests shall be un segregated and shall be administered as a part of the general corpus of the fund, unless otherwise expressly specified in writing by the donor, or on authorization of two thirds (2/3) vote of the entire Board.
- c) In the event a donor makes a written expression of a specific or restricted purposes or use of a gift, contribution, grant, devise or bequest, said funds or properties and the proceeds thereof shall be segregated and applied to such purpose and use only.

- d) It is hereby acknowledged that there currently exists segregated funds representing the Sheffield donation and the Lions Community Manor Fund representing public donations for the purpose of building and maintaining the Lions Community Center Building, which funds shall not be incorporated into the fund known as the "Welfare Foundation of the Lions Club of San Diego" (the general corpus fund).
- e) The Sheffield funds and its accumulations and earnings shall be used as set forth in the Last Will and Testament of Earle E. Sheffield.
- f) The Lions Community Manor Fund and its accumulations and earnings shall be used exclusively for the benefit of the residents of and/or for the Lions Community Center Building real property. In addition, to the extent said fund, its accumulations and earnings are available they shall be reserved to and used to pay off the debt on said building if and when necessary or desirable.

ARTICLE VII CORPORATE RECORD, REPORTS AND SEAL

SECTION 1. MAINTENANCE OF CORPORATE RECORDS

The Corporation shall keep adequate and correct records and minutes of the proceedings of the Board, and committees of the Board. The minutes shall be kept in written form. Other books and records shall be kept in either written form or in any other form capable of being converted into written form.

SECTION 2. TRUSTEES' INSPECTION RIGHTS

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

SECTION 3. ANNUAL REPORT

The Board shall cause an annual report to be prepared not later than one hundred twenty (120) days after the close of the Corporation's fiscal year. The report shall contain all the information required by Section 6321 (a) of the Corporations Code and shall be accompanied by any report of independent accountants, or if there is no such report, the certificate of an authorized officer of the Corporation that such statements were prepared without audit from the books and records of the Corporation. The annual report shall be furnished to all Trustees.

**ARTICLE VIII
FISCAL YEAR**

The fiscal year of the Corporation shall, begin on July 1 and end on June 30, in each year.

**ARTICLE IX
AMENDMENT OF ARTICLES OF INCORPORATION**

Except as otherwise provided by applicable state and federal law and these Bylaws, the Articles of Incorporation may be amended by a two-thirds (2/3) vote of the entire Board.

**ARTICLE X
AMENDMENT OF BYLAWS**

Except as set forth below, these Bylaws may be amended by a two-thirds (2/3) vote of the entire Board. Any amendment to or impacting the provisions of ARTICLE XI or ARTICLE VI Sections 4 (a) and 4 (d), requires a two thirds vote of the entire Board at a duly held meeting after 15 days notice to each Trustee that the item will be on the agenda, plus a two-thirds (2/3) majority vote of the entire membership of the Lions Club of San Diego.

**ARTICLE XI
ALLOCATION OF FUNDS**

SECTION 1. LIMITATIONS AND DETERMINATION OF AVAILABLE FUNDS

- a) Acts within the scope of this Article that are otherwise allowed by law, the Articles of Incorporation and these Bylaws are allowed by appropriate action of the Board.
- b) The Board shall determine the total fair market value of all of the Welfare Foundation's unrestricted funds and assets as of May 1st of each year. Seven percent (7%) of that amount is designated as "available funds".
- c) At the beginning of each fiscal year the Board shall adopt a budget for the expenditure of the available funds as follows:

First, the Board shall make provision for the payment of all expenses of the Corporation.

Second, from the remaining available funds the Board shall allocate an amount for the Lions Club of San Diego charity committees for the fiscal year. The committees may make recommendations for the use of those funds. However, any of these recommendations must be approved by the Board prior to any expenditure of the funds. The Board retains the right and power to make charitable expenditures different from committee recommendations.

Finally, any available funds not otherwise allocated or expended shall be returned to the corpus.

- d) The Board shall have the power to amend the budget or reallocate available funds at any time.

SECTION 2. REQUIRED VOTE FOR EXPENDITURE OF FUNDS

- a) An expenditure of Corporation funds of Ten Thousand Dollars or less must be authorized by a majority of the Board present at a duly held meeting at which a quorum is present.
- b) An expenditure of Corporation funds of more than Ten Thousand but less than One Hundred Thousand Dollars must be authorized by a two-thirds majority of the entire Board at a duly held meeting at which a quorum is present, notice of which includes the expenditure as an agenda item and is given to each Trustee not fewer than 15 days before the meeting.
- c) An expenditure of Corporation funds of One Hundred Thousand Dollars or more must be authorized by
 - (1) a two-thirds majority of the entire Board at a duly held meeting at which a quorum is present, notice of which includes the expenditure as an agenda item and is given to each Trustee not fewer than 15 days before the meeting and
 - (2) a majority of the voting membership of the Lions Club of San Diego.

An expenditure of One Hundred Thousand Dollars or more shall generally be restricted to the acquisition of equipment or the construction or alteration of permanent structures or to a significant contribution of a permanent or long-term nature.

SECTION 3. ADDITIONAL LIMITATIONS

Except with the vote of 2/3 of the Trustees present at a duly held meeting, neither corpus nor earnings are to be expended to:

- a) Provide operating funds or donate to capital fund drives of other agencies, unless the Lions Club of San Diego is closely involved in their programs.
- b) Provide aid for individuals or organizations outside the United States except through recognized international charitable agencies.

ARTICLE XII DISSOLUTION

The assets of the Corporation are dedicated to the purposes set forth in Article II of these Bylaws. On dissolution, of the Corporation, after providing for debts and obligations, the remaining Corporation assets shall not inure to the benefit of any person, but shall be distributed to a non-profit organization the goals and objectives of which are similar to those of the Corporation.

CERTIFICATE

I hereby certify that I am the duly elected Secretary/Chief Financial Officer of said Corporation and that the foregoing Fourth Amended Bylaws were duly approved by a 2/3 vote of the membership of the Lions Club of San Diego, and adopted at a meeting of the Board of Trustees held on this date.

First Amended Bylaws
Dated: June 26, 1991

Second Amended Bylaws
Dated: April 24, 1996

Third Amended Bylaws
Dated: August 27, 1997

Fourth Amended Bylaws
Dated: November 29, 2007

A handwritten signature in black ink, appearing to read 'A C Burdett', with a stylized flourish at the end.

Arthur C. Burdett

