

BY-LAWS OF
YAVAPAI BIG BROTHERS BIG SISTERS
An Arizona Non-Profit Corporation
(As of March 23, 2010)
(Revised September 19, 2017)
(Revised January 28, 2021)
(Revised May 18, 2021)
(Revised March 15, 2022)

1. OFFICES, CORPORATE SEAL AND MEMBERS

1.1 Principal Offices

The principal office of the Corporation shall be in the City of Prescott, Arizona, or such other place as the Board of Directors may designate. The Corporation shall also be referred to in these By-laws as the "Agency."

1.2 Other Offices

The Corporation may maintain offices at such other places, with or without the State of Arizona, as may be designated by the Board of Directors, and the affairs of the Corporation may be conducted at such other offices within the same effect as thought conducted at the principal office.

1.3 Corporate Seal

A corporate seal shall not be requisite to the validity of any instrument executed by or on behalf of the Corporation, but if a corporate seal be used, the seal shall have inscribed thereon the name of the Corporation, the state, and year of incorporation.

1.4 Corporate Structure.

The Corporation shall be composed of the Directors and such other persons as the Directors may elect or appoint.

1.5 Objectives and Purposes.

The Corporation is organized and shall be operated exclusively for charitable, scientific, and educational purposes, within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and all successors thereto. The Corporation's general objects and purposes are to provide mentoring services to at-risk youth in Yavapai County, Arizona.

2. DIRECTORS

2.1 Board of Directors

Except as otherwise provided herein, the affairs of the Corporation shall be conducted and managed by its Board of Directors, which may exercise all powers and do all lawful acts permitted by statute, the Articles of Incorporation, or these By-laws.

2.2 Number, Tenure, and Qualifications

There shall not be less than (3), or more than fifty (50), Directors, each of whom shall be elected for a two-year term. Directors shall be elected by the members at the annual meeting to hold office until a successor is elected and qualified, however no more than one-half of the total Directors shall be elected at each annual meeting. Directors may be elected for successive two-year terms upon the recommendation of the Board Development Committee. Each Community Board (defined herein below) shall have one of its members sit as a voting member of the Board of Directors. Directors shall be committed to the mission of the Corporation as well as demonstrating capabilities in maintaining the assets of the Corporation or use in furtherance of its charitable purpose. Discrimination based on characteristics protected by law is strictly prohibited.

2.3 Vacancies

Vacancies and newly created Directorships may be filled by the affirmative vote of a majority of the remaining then in office or by a sole remaining Director, and the Director so elected shall hold office until the next annual election and until his or her successor is duly elected and qualified, unless sooner displaced.

2.4 Termination or Removal

Any Director may be removed from office by an affirmative majority vote of the Directors for (a) conduct detrimental to the interests of the Corporation, (b) incompatibility with the Corporation's objectives, or (c) failure and/or refusal to make reasonable efforts to carry out its purpose.

If a Director is removed, the Secretary shall cause a notice to that effect to be sent to the removed director.

2.5 Place and Governance of Meetings

The Board of Directors may hold meetings, both regular and special, either within or without the State of Arizona. Meetings will be governed in alignment with Roberts Rules of Order.

2.6 Annual Meetings

The annual meeting of the Board of Directors shall be held not less than 15 days and not greater than 60 days before the end of the fiscal year.

2.7 Regular Meetings

Regular meeting of the Board of Directors may be held without notice at the time and place as shall be determined by the Board of Directors.

2.8 Special Meetings

Special meetings of the Board may be called by the Chairperson or the Secretary on one day's notice to each Director, either personally, by mail, by e-mail, or by telephone. Special meetings shall be called by the Chairperson or Secretary in like manner and on like notice on the written request of three (3) Directors.

2.9 Quorum

Forty percent (40%) of the membership of the Board of Directors shall constitute a quorum and the concurrence of a majority of those present shall be sufficient to conduct the business of the Board, except as may be otherwise specifically provided by stature or by the Articles of Incorporation. If a quorum shall not be present at any meeting of the Board of Directors, the Directors then present may adjourn the meeting to another time and place, without notice other than announcement at the meeting, until a quorum shall be present. The Board of Directors shall be allowed to vote by written proxy, through a current Board Member. Prior to the commencement of the meeting, the proxy Board member shall notify the Chair (or acting Chair) of such proxy and said Board member will vote for the absent Board member. Ex-officio members, if any, are not permitted to vote and are not of a number who would be considered for calculation of a quorum.

Hung board decisions: On the occasion that the Board members are unable to make a decision based on a tied number of votes, the presiding Chair will have the power to swing the vote based on his or her discretion.

2.10 Action without Meeting

Unless otherwise restricted by the Articles of Incorporation or by these By-Laws, any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting, if a majority of the Directors consent thereto in writing, and the writing or writings is filed with the minutes of the proceedings of the Board. Action may be taken by e-mail so long as a majority of the Directors indicates their consent to the action being taken by sending an e-mail indicating their consent to the Chairperson of the Board or the Chairperson's designee.

The Executive Committee, in its sole discretion, may approve the use of e-mails as follows: An initial email shall state with reasonable detail the issue or reason for a vote and will open discussion of the issue or item for 24 hours. A second email will provide notice that discussion is closed, and call for a vote not later than a designated time.

2.11 Execution of Contracts

The Board of Directors, except as otherwise provided in these By-laws, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances

and unless so authorized by the Board, no officer, agent or employee shall have any power or authority to bind the Corporation by contract or engagement or to pledge its credit or to render it liable for any purpose.

2.12 Compensation

No compensation shall be paid to any Director for services as a Director. No remuneration shall be paid to a Director for services performed on behalf of the Corporation by the Director in any other capacity or by way of reimbursement for expenditures incurred in connection with the performance of his/her duties as Director, unless a resolution authorizing the remuneration or reimbursement shall have been adopted by the Board prior to the services being undertaken or the expenditure incurred. Notwithstanding the foregoing, the Board of Directors may contract with any lay Directors rendering unusual or special services to the Corporation such compensation as is appropriate.

2.13 Waiver of Notice

Attendance of a Director at a meeting shall constitute waiver of notice of such meeting, except when the Director attends the meeting for the express purpose of objecting to conducting the affairs of the Corporation because the meeting is not lawfully called or convened.

3. OFFICERS

3.1 Designation of Titles

The officers of the Corporation shall be elected by the Board of Directors and shall be Chairperson, Vice Chairperson, Secretary, Treasurer, Past Chairperson and Program Chairperson. Any number of offices, except the offices of Chairperson and Secretary may be held by the same person, unless the Articles of Incorporation or these By-Laws otherwise provide.

3.2 Election of Officers

The Board of Directors at its annual meeting shall elect a Chairperson, Vice Chairperson, Secretary, Treasurer and Program Chairperson, each of who shall serve at the pleasure of the Board of Directors. No person may hold the same office for a period exceeding two successive years. The Board of Directors at any time may appoint such other officers and agents as it shall deem necessary to hold offices at the pleasure of the Board of Directors and to exercise such powers and perform such duties as shall be determined from time to time by the Board.

By-Laws should be reviewed and revised if needed at least every two (2) years, at the time that the Board Chair and Executive Committee are elected.

3.3 Salaries

Except as otherwise provided herein, no compensation shall be paid to officers for services rendered as officers. No remuneration shall be paid to an officer for services performed for the Corporation by the officer in any other capacity, or by way of reimbursement for expenditures incurred in connection with the performance of his or her duties, unless a resolution authorizing

the remuneration or reimbursement shall have been adopted by the Board prior to the services being undertaken or the expenditure incurred.

3.4 Removal and Resignation

Any officer may be removed by the Board of Directors whenever in its judgment the best interests of the Corporation will be served by the removal.

3.5 Vacancies

A vacancy in any office because of death, resignation, removal, disqualification, or otherwise, may be filled by the affirmative vote of a majority of the Board of Directors at any time.

3.6 Chairperson

The Chairperson shall preside at all meetings of members and all meetings of the Board of Directors. The Chairperson shall sign all instruments requiring execution on behalf of the Corporations, and shall act as operating and directing head of the Corporation, subject to policies established by the Board of Directors.

3.7 Vice Chairperson

There shall be as many Vice Chairpersons as shall be determined by the Board of Directors from time to time and they shall perform such duties as from time to time may be assigned to them. Any one of the Vice Chairpersons, as authorized by the Board, shall have all the powers and perform all the duties of the Chairperson in case of the temporary absence of the chairperson or in case of his or her temporary inability to act. In case of the permanent absence or inability of the Chairperson to act, the office shall be declared vacant by the Board of Directors and a successor chosen by the Board.

3.8 Secretary

The Secretary shall see that the minutes of all meetings of the Board of Directors and any standing committees are kept. He or she shall be the custodian of the Corporate Seal and shall affix it to all proper instruments when deemed advisable. The Secretary shall give or cause to be given required notices of all meetings of the Board of Directors. The Secretary shall have charge of all the books and records of the Corporation except the books of account, and in general shall perform all the duties incident to the office of Secretary of a corporation and such other duties as may be assigned.

3.9 Treasurer

The Treasurer shall have general custody of all the funds and securities of the Corporation except such as may be required by law to be deposited with any state official. The Treasurer shall see to the deposit of funds of the corporation in the bank or banks as the Board of Directors may designate. Regular books of account shall be kept under the Treasurer's direction and supervision, and he or she shall render financial statements to the Chairperson and directors at proper times.

The Treasurer shall have charge of the preparation and filing of such reports, financial statements, and returns as may be required by law. He or she shall give to the Corporation such fidelity bond as may be required, and the premium therefore shall be paid by the Corporation as an operating expense. The books of account shall be audited or reviewed annually.

3.10 Past Chairperson

The Past Chairperson shall serve to contribute continuity to the Board of Directors and to the Executive Committee, and shall assist with transition of the newly elected Chairperson.

3.11 Program Chairperson

The Program Chairperson shall represent the Agency's Program on the Board, will head the Program Committee and shall serve on the Executive Committee. The Program Chairperson, in conjunction with the Program Director and other staff as delegated by the Program Chairperson, will assist with setting the Agency's Program goals, and monitoring of goal attainment, appropriate staffing and compliance with BBBSA's Standards of Practice and Federal Grant Recipient requirements. The Program Chairperson shall assist the Executive Director in the annual performance evaluation of the Program Director.

3.12 President/Executive Director

The Board of Directors shall elect and hire a President/Executive Director, who shall be the administrative director of the program. Subject to the supervision of the Board of Directors, the President/Executive Director shall have general management of the Agency. The President/Executive Director shall employ, supervise, and be responsible for employees of the Agency, as authorized by the Board. The President shall see that all orders and resolutions of the Board of Directors are carried into effect and shall perform such other duties and have such other authority and powers as the Board of Directors may from time to time prescribe. The President/Executive Director shall be a member of the executive committee, shall have no vote,

and shall attend all Board meetings. The salary of the President/Executive Director shall be set by the Board and shall be reviewed at least annually.

In the event of a change in executive leadership, the appropriate member of the Board or Executive Committee will:

- Notify BBBSA in writing within 10 business days of a vacancy in executive leadership
- Notify BBBSA in writing of the naming of an interim Executive Director or the hiring of a new Executive Director
- Confirm that the new Executive Director completes BBBSA's orientation for new Executive Directors within the first year of employment
- Ensure that the Executive Director position is not vacant for more than 90 days without BBBSA's approval

3.13 Honorary Board

The Board may designate and appoint as members of an Honorary Board, any persons who have given or made extraordinary contributions of their time, talent, resources, or finances in the furtherance of the program and who in the Board's discretion have substantially contributed to the success and stability of the program. Members of the Honorary Board shall serve at the pleasure of the Board of Directors.

3.14 Community Committees and Advisory Committees

The Board may designate and appoint members of Community Committees to represent the interests of the specific communities in which they sit to set goals and take steps to carry out actions in developing the program to best serve the Community Committee goals. The Board may designate and appoint as members of the Community Committees, any persons supportive of the objectives of the program who will assist in carrying out the purposes of the program and who in Board's discretion will substantially contribute to the success and stability of the program. Community Committee members shall serve at the pleasure of the Board of Directors.

The Board may designate and appoint members of Advisory Committees as it sees fit to provide the Board with expertise and support that would be in addition to that available among the existing Board. Advisory Committee members shall serve at the pleasure of the Board of Directors.

4. COMMITTEES

4.1 Appointment

The Chairperson shall appoint the members and the Chairpersons of all standing committees, such appointments being subject to the approval of the Board of Directors. Standing Committees shall be created by the Board of Directors based on their determination of the necessity to delegate a subset of the Board to focus on particular and specific areas of concern. Committees function is to gather information specific to that Committee and make recommendations to the Board for action. Periodically, the Board will review its number of Standing Committees to determine whether the

Committee is functioning as intended or continues to be a relevant tool for the Board. If the Board determines that a Committee is no longer needed, it will be dissolved by a vote of the Board of Directors, and the Bylaws will subsequently be revised to reflect the dissolution.

4.2 Standing Committees

The standing committees shall be: (a) Executive Committee, (b) Board Development Committee, (c) Strategic Planning Committee, (d) Program Committee, (e) Finance and Audit Committee, (f) Philanthropy Committee, (g) Marketing Committee, (h) Human Resources Committee, (i) Verde Valley Advisory Committee and (j) such other committees as may be determined by the Board of Directors.

4.3 Special or Ad Hoc Committees

Special or Ad Hoc Committees may be designated and members appointed by the Chairperson from time-to-time with approval of the Board of Directors. Such committees will be dissolved once their purpose has been achieved and the Board has determined their necessity has expired.

4.4 Supervision

The Chairperson shall supervise and coordinate the activities of all standing and special committees. The Chairperson of each committee shall give a report of the committee's meetings or activities as needed at the meetings of the Board of Directors.

4.5 Executive Committee

The Executive Committee shall consist of all officers, the immediate Past Chairperson, the Program Chairperson, the President/Executive Director and any Board Members appointed by the Chairperson and shall be responsible for policy and decision making for the Corporation between regular Board of Directors meetings. The Executive Committee also shall act as the Finance and Audit Committee.

4.6 Board Development Committee

The Board Development Committee shall define the types of representation needed on the Board of Directors and shall, throughout the year, seek out qualified people to fulfill those needs. The Committee will also be responsible for ongoing board training and yearly evaluation of the board and individual board members. This committee shall set objectives consistent with the Agency's long range plan, and in alignment with the Board Development Plan.

Board Development Plan

The Board Development Committee, or the Executive Committee in the absence of a formal Board Development Committee, shall be responsible for implementing the Board Development Plan (BDP).

Recruitment practices to identify qualified, diverse Board candidates will include internal referrals by existing Board members and the Executive Director. Referrals may also be sought externally

from trusted community members, donors and past Board members. YBBBS seeks a diverse and qualified candidate pool, and discrimination based on characteristics protected by law is strictly prohibited. A designated Committee member will initially contact the prospect in an inquiry of interest. When interest is established, the Committee will formally draft a letter of interest to the prospect, requesting a resume of work and community involvement and personal references. Upon receipt, the Committee will review the information and begin a vetting process to include verification of information provided and set up an interview. Post-interview, the Committee will determine whether to pursue the prospect, and if so, continue with the vetting process in alignment with the Agency's typical background check for volunteers and employees. Upon completion of the vetting process, the Board will confirm by majority vote the addition of the candidate to the Board.

Upon selection of a candidate, the orientation process will commence, to include an introduction and Q&A with the full Board, a brief historical overview of the Agency, introductions to Department heads and staff, and inas much as possible, introductions to major donors.

Succession for vacancies will be at the Board's discretion, and in alignment with the mandated number of Board members, which is to be no less than three (3) and no more than fifty (50). To ensure multi-year consistency, no more than 25% of the Board will be scheduled for terms ending in the same year. Succession will be achieved via the recruitment practices noted above, or in the case of an Executive Committee member vacancy, by an internal nomination of existing Board members first. In the absence of a successful Executive Committee member succession, the external recruitment procedures will commence.

Board members will be evaluated annually based upon their consistency of attendance which will be reported to the Board.

4.7 Strategic Planning Committee

This Committee is responsible for creating the Agency Strategic Plan. Progress against the Plan will be reviewed quarterly, and reviewed and renewed annually. This Committee will be responsible for assuring the setting of long range objectives and goals, as well as assuring sufficient near-term plans and resources to fully implement the Plan. The Committee will also insure that all Agency activities and programs are aligned with the Plan. The Committee will be comprised of staff, Board Members and volunteer members.

4.8 Finance and Audit Committee

There will be two sub-committees within the Finance and Audit Committee, having the following objective areas in their respective sub-committee:

A) Audit and annual and current operations. This sub-committee shall plan the budget according to available resources and oversee fund raising event budgets. It shall set objectives consistent with the Agency's long range plan and provide a budget for the upcoming year. This sub-committee shall oversee the Agency's annual audit.

B) Long term operations beyond the current year. This sub-committee shall oversee the management of funds received through the planned giving program, shall set investment policy, asset allocation and provide oversight of all reserve and endowment funds of the agency, and all other long range financial matters.

4.9 Philanthropy Committee.

This Committee shall work on the on-going effort to solicit individual gifts, and trusts and/or bequests from individuals in the community who are interested in contributing financially to the Agency. This Committee shall serve as a steering committee to focus the fundraising efforts of the Agency.

4.10 Program Committee

This Committee shall monitor service delivery systems and procedures ("standards") to ensure that practices are consistent with these standards and with recommended service delivery procedures, within the limits of confidentiality and reviews personnel policy, including salary ranges. This Committee shall set objectives consistent with the Agency's long range plan.

4.11 Marketing Committee

This Committee shall work to develop current and ongoing marketing materials to promote the Corporation in an innovative and informative manner.

4.12 Human Resources Committee

This Committee shall monitor the Agency's Human Resources department to ensure compliance with policies and procedures. The Committee will assist in development of new policies when needed and/or to revise current policies as laws and statutes are enacted or amended.

4.13 Verde Valley Advisory Committee

This Committee shall work to represent the specific concerns and issues present in the Verde Community, and make community-specific recommendations to the Board. This Committee shall be headed by a Board member with sufficient familiarity with this Community as it applies to the needs the agency serves.

5. **FISCAL YEAR**

The fiscal year of the Corporation shall be July 1 through June 30.

6. **INDEMNIFICATION**

6.1 Indemnification in Actions by Third Parties

The Agency shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, other than an action by or in the right of the Agency, by reason of the

fact that he or she is or was a Director, committee member, officer or employee of the Agency as a member, director, Director, committee member, officer, or employee of another corporation, partnership, joint venture, trust or other enterprise, against expenses, including attorneys' fees, and against judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she acted, or failed to act, in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Agency, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or 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 person acted or failed to act other than in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interest of the Agency and, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

6.2. Indemnification in Actions by or in the Right of the Agency

The Agency shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Agency to procure a judgment in its favor by reason of the fact that he or she is or was a Director, committee member, officer, employee or agent of the Agency or is or was serving at the request of the Agency as a director, Director, committee member, officer, employee or agent of another Agency, partnership, joint venture, trust or other enterprise against expenses, including attorney fees, but excluding judgments and fines and, except as hereinafter set forth, amounts paid in settlement, actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit, if he or she acted, or failed to act, in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Agency and except that no indemnification may be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Agency unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification for such expenses which such court shall deem proper.

The court in which any such action or suit was brought may determine upon application that, in view of all circumstances of the case, indemnity for the amounts so paid in settlement is proper and may order indemnity for the amounts so paid in settlement and for the expenses, including attorneys' fees, actually and reasonably paid in connection with such application, to the extent the court deems proper.

6.3 Indemnification Against Expenses

To the extent that a Director, committee member, officer or employee of the Agency has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Sections 6.1 and 6.2 of this Article, or in defense of any claim, issue or matter therein, he or she shall be indemnified against expenses, including attorney fees, actually and reasonably incurred by him or her in connection therewith.

6.4 Required Determination.

Any indemnifications under Sections 6.1 or 6.2 of this Article, unless ordered by a court, shall be made by the Agency only as authorized in the specific case upon a determination that indemnification of a Director, committee member, officer, agent or employee is proper in the circumstances because he or she has met the applicable standard of conduct set forth in Sections 6.1 or 6.2. Such determination shall be made by any of the following:

(a) By the Board of Directors by a majority vote of a quorum consisting of Directors who were not parties to the action, suit or proceeding;

(b) If such quorum is not obtainable, in a written opinion of independent legal counsel appointed by a majority of the disinterested Directors for that purpose; or

(c) If there are no disinterested Directors, by the court or other body before which the action, suit or proceeding was brought or any court of competent jurisdiction upon the approval of an application by any person seeking indemnification, in which case indemnification may include the expenses, including attorneys' fees, actually and reasonably paid in connection with such application.

6.5 Advance of Expenses

Expenses, including attorneys' fees, incurred in defending a civil or criminal action, suit or proceeding may be paid by the Agency in advance of the final disposition of the action, suit or proceeding upon receipt of an undertaking by or on behalf of the Director, committee member, officer, agent or employee to repay the amount unless it is ultimately determined that he or she is entitled to be indemnified by the Agency as authorized in this Section.

6.6 Not Exclusive

The indemnification and other benefits provided in this **Article 6** are not exclusive of any other rights to which those benefited may be entitled under any bylaw, agreement, vote of disinterested Directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office. The indemnification and other benefits provided by or granted pursuant to these Bylaws, unless otherwise provided when authorized or ratified, shall continue to a person who has ceased to be a Director, committee member, officer, agent or employee and shall inure to the benefit of the heirs, executors and administrators of such a person.

6.7 Insurance

The Agency shall have power to purchase and maintain insurance on behalf of any person who is or was a Director, committee member, officer, agent or employee of the Agency or is or was serving at the request of the Agency as a director, committee member, officer, agent or employee, of another corporation, partnership, joint venture trust or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity or arising out of his or her status as such, whether or not the Agency would have the power to indemnify him or her against such liability under this **Article 6**. As used in this Section 6.7 (Insurance), "insurance" includes retrospectively rated and self-insured programs to the extent permitted by law.

6.8 Transferability

The rights to indemnification provided pursuant to this Article cannot be transferred or assigned to any person or entity including, without limitation, an insurance carrier and no person or entity may be subrogated to such rights.

7. **BOOKS AND RECORDS; TAX EXEMPT STATUS**

7.1 Accounting

Except as may otherwise be agreed to by the Board of Directors, the Agency shall maintain its books and records and shall prepare financial statements in accordance with generally accepted accounting principles. The Agency shall use the accrual method of accounting for its books, records and financial statements.

7.2 Inspection

All books of account and all other records of the Agency (including an executed counterpart of the Articles, these Bylaws and all amendments hereto) shall at all times be kept by the Board of Directors at the Agency's principal place of business and may be inspected at any reasonable time by any Director.

Articles of Incorporation, Bylaws and meeting minutes are secured physically in the Agency's file room and electronic copies are maintained in a secure location on the Agency's network.

7.3 Tax Exempt Status

The Board of Directors shall cause to be prepared and filed necessary documents to supplement and update the Corporation's present form for Application for Recognition of Exemption Under Section 501(c)(3) (Form 1023). The Board of Directors shall also cause to be prepared and filed all other applications for exemption from tax (including, without limitation, state and local income, sales, use, and property taxes) as are permitted. The Board of Directors shall cause to be filed with the appropriate taxing authorities such returns, notices, applications, and other information as are required by such authorities.

8. **DISSOLUTION AND TERMINATION**

8.1 Dissolution

- (a) The Agency shall be dissolved and its assets shall be liquidated:
 - (1) upon the affirmative vote or written consent of the Board of Directors in accordance with applicable laws; or
 - (2) upon the sale of all or substantially all of the assets of the Agency in accordance with applicable law and approval of the Board of Directors; provided, however, that the Agency shall not terminate until its affairs have been wound up and its assets distributed as provided herein.

- (3) upon determination of insolvency or imminent bankruptcy the Board of Directors is responsible for notifying BBBSA.

8.2 Appointment of Liquidating Trustee

"Liquidating Trustee" shall mean that person or entity selected to wind up the affairs of the Agency, in accordance with the provisions herein below.

Upon the dissolution of the Agency, if the Agency's business is not continued pursuant to paragraph 1 (Dissolution) of this Section, the Board of Directors (or their legal representatives, successors, or assigns) may, if they shall so desire, select a person or entity to wind up the affairs of the Agency and distribute its assets. Another person may be selected (in the same manner and for the same purpose) to succeed the person originally selected or any subsequently selected successor, whenever the person originally selected or any such subsequently selected successor, as the case may be, fails for any reason to carry out such purpose. The person so selected and acting hereunder from time to time may be an individual, a corporation, or a general or limited partnership, shall be compensated for his or its services hereunder (as and to the extent authorized by the Board of Directors), and shall proceed diligently to wind up the affairs of the Agency and distribute its assets in the manner hereinafter provided.

8.3 Distribution and Other Matters

Promptly upon the dissolution of the Agency, if the Agency's business is not continued pursuant to Section 8.1 (Dissolution) of this Article, the Board of Directors or the Liquidating Trustee, if one has been appointed, shall liquidate the assets of the Agency and apply and distribute the proceeds of such liquidation as follows and in the following order of priority:

- (a) to the payment of the debts and liabilities of the Agency (other than those to Board of Directors) in the order of priority provided in applicable law;
- (b) to the payment of the expenses of litigation of the Agency in the order of priority provided by law;
- (c) to the setting up of such reserves as the Board of Directors or the Liquidating Trustee, as the case may be, may deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Agency arising from or in connection with the Agency's business; the Liquidating Trustee shall hold any such reserve for the purpose of disbursing such reserves in payment of any such liabilities or obligations and, at the expiration of such period as the Liquidating Trustee shall deem advisable; and
- (d) the balance shall be distributed thereafter remaining in accordance with applicable law, the Articles and these Bylaws.

8.4 Actions of the Liquidating Trustee; Statements of Account

- (a) During the period of liquidation (which will be such reasonable time as may be required for the orderly completion of liquidation and distribution as set forth above), the Liquidating Trustee, as trustee for the benefit of the Agency to the extent permitted by law,

shall take any and all actions necessary or appropriate to complete such liquidation and distribution as provided in this Article and shall have for such purpose all powers appropriate to accomplish the same.

(b) If appointed, the Liquidating Trustee shall prepare a final statement of the accounts of the Agency as of the date of termination, and, as promptly as possible thereafter, a copy thereof shall be furnished to the Board of Directors. Such statement shall set forth the actual or contemplated application and distribution of the assets of the Agency. Upon completion of the distributions as required hereby, a further statement for the period of liquidation shall be prepared by the Liquidating Trustee and furnished to the Board of Directors.

8.5 Distribution for Exempt Purpose Only

Anything in these Bylaws to the contrary notwithstanding, upon the dissolution of the Agency, whether such dissolution shall result from voluntary action of the Board of Directors, court order, or otherwise, the assets of the Agency (after distribution in accordance with applicable law and the Articles) shall be disposed of exclusively for exempt purposes, within the meaning of Section 501(c)(3) of the Internal Revenue Code. No part of the remaining assets of the Agency shall inure to the benefit of or be distributable to any private individual or entity, but the whole of such remaining assets shall be distributed in cash or in kind, in fee absolute, and without return consideration, direct or indirect, to such organizations as shall then qualify as exempt organizations under Section 501(c)(3) of the Code as the Board of Directors, the Liquidating Trustee or a court of competent jurisdiction may determine.

9. NOTICES

Except as otherwise provided herein, notices under these By-laws shall be in writing and served via hand-delivery or by U.S. Mail, certified, postage prepaid, addressed to such Director or officer as their addresses appear on the books of the Corporation. All notices, demands and requests shall be effective upon being deposited in the United States Mail.

10. PARTIAL INVALIDITY/PRESERVATION OF REMAINDER

The invalidity of a portion of these By-laws will not affect the validity of the remainder hereof.

11. CONSTRUCTION AND DEFINITIONS

Except to the extent allowed by law and provided for herein, these Bylaws and their construction shall be governed by Chapter 24 of Title 10 of the Arizona Revised Statutes and any superseding or subsequent legislation.

12. COMPUTATION OF TIME

In computing any period of time pursuant to these By-laws, the day of the act, date of notice, event, or default from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included, unless it is a Saturday, Sunday or a legal holiday in the

State of Arizona, in which event the period shall run until the end of the next day which is not a Saturday, Sunday or legal holiday.

13. AMENDMENT

These By-Laws may be altered, amended, repealed, and/or rewritten by a majority vote of the Board, in person or by proxy, at any meeting, provided that the proposed action shall be stated in the notice of the meeting or notice is waived.

14. EXECUTION IN COUNTERPART

These By-laws may be executed in any number of counterparts, all of which taken together shall be deemed one original.

THE REVISED BY-LAWS WERE APPROVED ON THE 15th DAY OF MARCH, 2022, BY A TWO-THIRDS (2/3) VOTE OF THE BOARD OF DIRECTORS.

Date Made effective on 03/15/2022

Veronica Aguilera, Secretary

N Veronica Aguilera

N Veronica Aguilera (Mar 16, 2022 15:41 PDT)

Secretary