

Bylaws of

Rugby NorCal, Inc.,

A California Nonprofit Public Benefit Corporation

ARTICLE 1 NAME

Section 1.1 Corporate Name

The name of this corporation is **Rugby NorCal, Inc.**, doing business as, and referred to herein as Rugby NorCal.

ARTICLE 2 OFFICES

Section 2.1 Principal Office

The principal office for the transaction of the business of RUGBY NORCAL may be established at any place or places within the State of California by the Executive Director, or by resolution of the Board.

Section 2.2 Other Offices

The Board may at any time establish branch or subordinate offices at any place or places where RUGBY NORCAL is qualified to transact business.

ARTICLE 3 PURPOSES

Section 3.1 General Purpose

RUGBY NORCAL is a nonprofit public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Corporation Law of California (“California Nonprofit Corporation Law”) for charitable purposes.

Section 3.2 Specific Purpose

The specific purpose of RUGBY NORCAL shall include without limitation, to promote the growth of high school and youth rugby in Northern California by supporting the organization, participation and positive culture of youth rugby in a fun and safe environment, and by educating the public and players in the game of rugby. RUGBY NORCAL currently recognizes three distinct geographic regions, which include forty-eight (48) Northern California counties:

- i. Region 1: Central (Monterey, Kings, Tulare, Inyo, Mono, Fresno, San Benito, Merced, Madera, Mono, Mariposa, and Tuolumne Counties)
- ii. Region 2: Bay Area (Santa Cruz, Santa Clara, Stanislaus, Calaveras, San Joaquin, Alameda, San Mateo, San Francisco, Marin, Contra Costa, Sonoma, Mendocino, Humboldt, and Napa Counties)
- iii. Region 3: Sacramento Valley (Alpine, Amador, El Dorado, Sacramento, Solano, Yolo, Lake, Colusa, Glenn, Sutter, Butte, Yuba, Placer, Nevada, Sierra, Plumas, Lassen, Tehama, Trinity, Shasta, Modoc, Del Norte, and Siskiyou Counties)

ARTICLE 4 LIMITATIONS

Section 4.1 Political Activities

RUGBY NORCAL has been formed under California Nonprofit Corporation Law for the charitable purposes described in Article 3, and it shall be nonprofit and nonpartisan. No substantial part of the activities of RUGBY NORCAL shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and RUGBY NORCAL shall not participate in 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.

Section 4.2 Prohibited Activities

RUGBY NORCAL shall not, except in any insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes described in Article 3. RUGBY NORCAL may not carry on any activity for the profit of its Officers, Directors or other persons or distribute any gains, profits or dividends to its Officers, Directors or other persons as such. Furthermore, nothing in Article 3 shall be construed as allowing RUGBY NORCAL to engage in any activity not permitted to be carried on (i) by a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”) or (ii) by a corporation, contributions to which are

deductible under section 170(c)(2) of the Code.

ARTICLE 5 DEDICATION OF ASSETS

Section 5.1 Property Dedicated to Nonprofit Purposes

The property of RUGBY NORCAL is irrevocably dedicated to charitable purposes. No part of the net income or assets of RUGBY NORCAL shall ever inure to the benefit of any of its Directors or Officers, or to the benefit of any private person, except that RUGBY NORCAL is authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article 3 hereof.

Section 5.2 Distribution of Assets Upon Dissolution

Upon the dissolution or winding up of RUGBY NORCAL, its assets remaining after payment, or provision for payment, of all debts and liabilities of RUGBY NORCAL shall be distributed to a nonprofit fund, foundation, or corporation which is organized and operated exclusively for **charitable** purposes and which has established its tax exempt status under Section 501(c)(3) of the Code.

ARTICLE 6 MEMBERSHIP

Section 6.1 Classification

Membership in RUGBY NORCAL shall consist of the following classifications:

Active Organizational Members. Active Organizational Members shall be dues paying clubs, schools or other entities playing the game of Rugby Union (full contact and touch, and including both 15-a-side and 7-a-side variations) in any of the Northern California Regions. Active Organizational Members and are “members” of RUGBY NORCAL as defined in Section § 5056 of the California Nonprofit Corporation Law.

(a)

(b) Individual Members. Individual Members of RUGBY NORCAL shall consist of dues paying individual persons who may be, or may not be, themselves members of Active Organizational Members of RUGBY NORCAL. Individual members shall receive publications and general communications of RUGBY NORCAL, may attend meetings, may be granted the privilege of the floor, but shall not be entitled to vote or hold an elected office, except on behalf of Active Organizational Members as provided in these Bylaws.

(c) Honorary Members. Honorary Members may be elected by the Board of Directors by unanimous vote, from among individuals who by their outstanding work have contributed in a substantial way to the sport of youth rugby in Northern California. Honorary members shall not pay dues, vote or hold office except on behalf of Active Organizational Members as provided in these Bylaws.

(d) Voting Members. Unless otherwise provided in these Bylaws, the term “voting member” as used in these Bylaws refers solely to Active Organizational Members. Individual Members and Honorary Members are not “voting members” of RUGBY NORCAL as defined in Section § 5056 of the California Nonprofit Corporation Law.

Section 6.2 Requirements for Membership

To be an Active Organizational Member of RUGBY NORCAL, an organization must:

(a) Exist for the purpose of participating in the sport of Rugby Union for ages 18 and under in one of the Northern California Regions;

- (b) Be able to define its constituency which will include, but not be limited to, the number of teams and athletes it represents;
- (c) Be able to demonstrate that its leadership, including any representative(s) to the Board, will have a viable system of communication with its members within its organization;
- (d) Be able to designate two specific organizational representatives to receive all official communication from RUGBY NORCAL;
- (e) Abide by all current rules, regulations, policies and procedures of RUGBY NORCAL, including ensuring that all individual members of the member organization are registered with RUGBY NORCAL in the appropriate category (athlete, coach, administrator, referee, etc.)
- (f) Nominate and select representatives from the region in which they are located to serve on the Board when there are vacancies.

Section 6.3 Fees, Dues and Assessments

The dues of Active Organizational and Individual Members shall be established, assessed and collected by the Board of Directors, which must first solicit, collect, and actively discuss recommendations from the Active Organizational and Individual Members prior to making any changes.

Section 6.4 Termination of Membership

The membership of any member of any classification shall terminate upon occurrence of any of the following events:

- (a) The dissolution, death or resignation of the member;
- (b) Failure of a member to pay dues as required by RUGBY NORCAL;
- (c) The occurrence of any event which renders such members ineligible for membership or failure to satisfy membership qualifications;
- (d) The expulsion of the member by RUGBY NORCAL for failure to observe the rules of conduct of RUGBY NORCAL.

Section 6.5 Suspension or Expulsion of an Organizational or Individual Member

A member may be suspended or expelled only by the Board of Directors of RUGBY NORCAL if the member has failed in a material and serious degree to observe RUGBY NORCAL's rules of conduct, or has engaged in conduct materially and seriously prejudicial to the purposes and interests of RUGBY NORCAL.

Section 6.6 Annual Meeting of Active Organizational Members

The annual meeting of the Active Organizational Members shall be held during August of each year or at such other time as the Board of Directors may fix the notice of such meeting ("Annual Meeting"). At the Annual Meeting, Officer Directors to the Board ("Officer Directors") shall be elected and any other proper business may be transacted.

ARTICLE 7 BOARD OF DIRECTORS

Section 7.1 Number and Qualifications

7.1.1 Number

The authorized number of directors of RUGBY NORCAL ("Directors") shall not be less than ten (10) or more than thirteen (13); the exact authorized number to be fixed, within these limits, by resolution of the Board.

7.1.2 Composition of the Board of Directors

The Active Organizational Members shall be represented on the Board by the Officer Directors. Officer Directors of the RUGBY NORCAL are fixed at seven (7) positions. The remainder of seats on the Board (“Non-Officer Directors”) shall be represented by persons outside the Active Organizational Membership, but who still have an interest in advancing the sport of rugby in the Northern California Regions. Officer Directors of the RUGBY NORCAL shall hold specific titles of operational purpose and shall be responsible for assisting the Chief Executive, if any, where needed, in running the day-to-day operations of RUGBY NORCAL. Non-Officer Directors will also hold office with specific duties and responsibilities assigned to them by the Board in consultation with the President.

7.1.3 Definition of a Non-Officer Director

A Non-Officer Director of the RUGBY NORCAL shall be a person who holds no current affiliation with an Active Organizational Member, and as such, does not represent a specific Active Organizational Member’s interests while serving on the Board of Directors. Should a Non-Officer Director become affiliated with a specific Active Organizational Member, that Non-Officer Director shall resign their position on the Board.

7.1.4 Qualifications

Directors of RUGBY NORCAL must be motivated to advance the mission of the organization and qualifications to serve as Director shall include but not be limited to: demonstrated passion for youth rugby and/or youth organizations, personal and business integrity, an understanding of the principles of good business practices, ability to fulfill legal and fiduciary oversight responsibilities, sufficient available time, and commitment to meeting the board fundraising requirement, if any.

Section 7.2 Corporate Powers Exercised by Board

Subject to the provisions of the Articles of Incorporation of RUGBY NORCAL (the “Articles of Incorporation”), California Nonprofit Corporation Law and any other applicable laws, the business and affairs of RUGBY NORCAL shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board of Directors (the “Board”). The Board may delegate the management of the activities of RUGBY NORCAL to any person or persons, management company or however composed, provided that the activities and affairs of RUGBY NORCAL shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board.

Section 7.3 Terms; Election of Successors

Officer Directors shall be elected by the Active Organizational Members at each annual meeting of the Active Organizational Members, for one (1) year terms for a maximum of six (6) consecutive years in the same role. Non-Officer Directors shall be elected by Board for terms not to exceed three (3) years.. Each Director, including a Director elected to fill an Officer Director vacancy, shall hold office until the expiration of the term for which he or she was elected and until the election and qualification of a successor, or until that Director’s earlier resignation or removal in accordance with these Bylaws and California Nonprofit Corporation Law. By resolution, the Board may arrange for terms to be staggered.

Section 7.4 Nominations of Directors; Voting

A Nominating Committee of no more than four (4) and no less than two (2) members, appointed by the President and made up of members of the Board and/or active Board Committees and the Chief Executive, shall solicit nominations of candidates for each Officer Director position from the Active Organizational Members. Non-Officer Directors may be nominated by the Nominating Committee or the President.

Nominations may also be made from the floor at the annual meeting of the Active Organizational Members.

7.4.1 Solicitation of Votes

The Board shall formulate procedures that allow a reasonable opportunity for a Officer Director nominee to communicate to Active Organizational Members the nominee’s qualifications and reasons for the nominee’s candidacy, a reasonable opportunity for all nominees to solicit votes and a reasonable opportunity for all Active Organizational

Members to choose among nominees at the annual meeting.

7.4.2 Election and Counting of Ballots; Installation

The names of the candidates, together with a brief review of their professional background, shall be distributed as a ballot by the Secretary to every Active Organizational Member at least 30 days prior to the annual meeting. Ballots, to be valid, must have a due date and must be distributed to every Active Organizational Member using “reasonable” means including, but not limited to, use of United States Postal Service First Class Mail, via electronic mail sent to the member’s email of record, or through use of an “online” voting mechanism that provides a secure method to ensure that the source of each vote tallied is that of the Active Organizational Member entitled to vote.

To be valid, the Secretary must receive the results of the ballot, either through physical or electronic means, by midnight on the date the ballots were due. No candidate should participate in the ballot count. Candidates receiving the highest number of votes for each vacancy to be filled shall be elected as Officer Directors. There shall be no cumulative voting. A tie shall be decided by lot.

Officer Directors shall be installed at the Board meeting next following their election.

7.4.3 Events Causing Vacancy

A vacancy or vacancies on the Board shall be deemed to exist on the occurrence of the following: (i) the death, resignation, or removal of any Director; (ii) whenever the number of authorized Directors is increased; or (iii) the failure of the Active Organizational Members, at any meeting at which any Officer Director or Directors are to be elected, to elect the fully authorized number of Officer Directors.

7.4.4 Removal

The Board may by resolution declare vacant the office of a Director who has been declared of unsound mind by an order of court, or convicted of a felony, or found by final order or judgment of any court to have breached a duty under California Nonprofit Corporation Law.

The Board may, by a majority vote of the Directors who meet all of the required qualifications to be a Director set forth in Section 11.1.2, declare vacant the office of any Director who fails or ceases to meet any required qualification that was in effect at the beginning of that Director’s current term of office.

7.4.5 No Removal on Reduction of Number of Directors

No reduction of the authorized number of Directors shall have the effect of removing any Director before that Director’s term of office expires unless the reduction also provides for the removal of that specified Director in accordance with these Bylaws and California Nonprofit Corporation Law.

7.4.6 Resignations

Except as provided in this Section 7.4.6, any Director may resign by giving written notice to the President, the Secretary, or the Board. Such a written resignation will be effective on the later of (i) the date it is delivered or (ii) the time specified in the written notice that the resignation is to become effective. No Director may resign if RUGBY NORCAL would then be left without a duly elected Director or Directors in charge of its affairs, except upon notice to the California Attorney General (the “Attorney General”).

7.4.7 Election to Fill Vacancies

If there is a vacancy on the Board, including a vacancy created by the resignation or removal of a Director, the Board may fill such vacancy by electing an additional director as soon as practicable after the vacancy occurs. This election shall fill the seat on a temporary basis, until the Active Organizational Membership, at the next Annual Meeting; either ratifies the election or elects a different Director to fill the vacant seat. If the number of Directors then in office is less than a quorum, additional directors may be elected to fill such vacancies by

- (i) the unanimous written consent of the Directors then in office,
- (ii) the affirmative vote of a majority of the Directors in office at a meeting held according

to notice or waivers complying with section 5211 of the California Nonprofit Corporation Law, or
(iii) a sole remaining Director.

Section 7.5 Regular Meetings

Each year, the Board shall hold at least one meeting, at a time and place fixed by the Board, for the purposes of installation of Directors, appointment of Officers, review and approval of the corporate budget and transaction of other business. Regular meetings of the Board shall be held tri-monthly.

Section 7.6 Special Meetings

Special meetings of the Board for any purpose may be called at any time by the President or any two Directors.

Section 7.7 Notice of Meetings

7.7.1 Place of Board Meetings

Regular and special meetings of the Board may be held at any place within or outside the state that has been designated in the notice of the meeting, or, if not stated in the notice or, if there is no notice, designated by resolution of the Board. If the place of a regular or special meeting is not designated in the notice or fixed by a resolution of the Board, it shall be held at the principal office of RUGBY NORCAL.

7.7.2 Meetings by Telephone or Similar Communication Equipment

Any meeting may be held by conference telephone or other communications equipment permitted by California Nonprofit Corporation Law, as long as all Directors participating in the meeting can communicate with one another and all other requirements of California Nonprofit Corporation Law are satisfied. All such Directors shall be deemed to be present in person at such meeting.

Section 7.8 Quorum and Action of the Board

7.8.1 Quorum

A majority of Directors then in office shall constitute a quorum for the transaction of business, except to adjourn as provided in Section 7.11.

7.8.2 Minimum Vote Requirements for Valid Board Action

Every act taken or decision made by a vote of the majority of the Directors present at a meeting duly held at which a quorum is present is the act of the Board, unless a greater number is expressly required by California Nonprofit Corporation Law, the Articles of Incorporation or these Bylaws. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors from the meeting, if any action taken is approved by at least a majority of the required quorum for that meeting.

7.8.3 When a Greater Vote Is Required for Valid Board Action

The following actions shall require a vote by a majority of all Directors then in office in order to be effective:

7.8.3.1 Approval of contracts or transactions in which a Director has a direct or indirect material financial interest as described in Section 13.1 (provided that the vote of any interested Director(s) is not counted);

7.8.3.2 Creation of, and appointment to, Committees (but not advisory committees) as described in ARTICLE 12; and

7.8.3.3 Indemnification of Directors as described in Article 14

Section 7.9 Waiver of Notice

The transactions of any meeting of the Board, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (i) a quorum

is present, and (ii) either before or after the meeting, each of the Directors who is not present at the meeting signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent does not need to specify the purpose of the meeting. All waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Also, notice of a meeting is not required to be given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice. Directors can protest the lack of notice only by presenting a written protest to the Secretary either in person, by first-class mail addressed to the Secretary at the principal office of RUGBY NORCAL as contained on the records of RUGBY NORCAL as of the date of the protest, or by facsimile addressed to the facsimile number of RUGBY NORCAL as contained on the records of RUGBY NORCAL as of the date of the protest.

Section 7.10 Adjournment

A majority of the Directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place.

Section 7.11 Notice of Adjournment

Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than 24 hours, in which case personal notice of the time and place shall be given before the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.

Section 7.12 Conduct of Meetings

Meetings of the Board shall be presided over by the President or, if the President is absent, by the Vice President (if any) or, in the absence of each of these persons, by a chairperson of the meeting, chosen by a majority of the Directors present at the meeting. The Secretary shall act as secretary of all meetings of the Board, provided that, if the Secretary is absent, the presiding officer shall appoint another person to act as secretary of the meeting. Meetings shall be governed by rules of procedure as may be determined by the Board from time to time, insofar as such rules are not inconsistent with or in conflict with these Bylaws, with the Articles, or with any provisions of law applicable to RUGBY NORCAL.

Section 7.13 Action Without Meeting

Any action required or permitted to be taken by the Board may be taken without a meeting, if all members of the Board, individually or collectively, consent in writing to the action. For the purposes of this Section 7.13 only, "all members of the Board" shall not include any "interested Director" as defined in section 5233 of the California Nonprofit Corporation Law. Such written consent shall have the same force and effect as a unanimous vote of the Board taken at a meeting. Such written consent or consents shall be filed with the minutes of the proceedings of the Board.

Written consent may be transmitted by first-class mail, messenger, courier, facsimile, e-mail or any other reasonable method satisfactory to the President.

Section 7.14 Fees and Compensation of Directors

RUGBY NORCAL shall not pay any compensation to Directors for services rendered to RUGBY NORCAL as Directors, except that Directors may be reimbursed for expenses incurred in the performance of their duties to RUGBY NORCAL, in reasonable amounts as approved by the Board.

Also, Directors may not be compensated for rendering services to RUGBY NORCAL in a capacity other than as Directors, unless such compensation is reasonable and further provided that not more than 49% of the persons serving as Directors may be "interested persons" which, for purposes of this Section

7.14 only, means:

- (a) any person currently being compensated by RUGBY NORCAL for services rendered to it within the previous 12 months, whether as a full or part-time Officer or other employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a Director as Director; 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 7.15 Non-Liability of Directors

The Directors shall not be personally liable for the debts, liabilities, or other obligations of RUGBY NORCAL.

Section 7.16 Board Votes Requiring a Vote of the Active Organizational Members

The Board, specifically through the Officer Directors, shall solicit votes from the Active Organizational Members regarding the following issues:

- (1) Dues increases/decreases
- (2) Officer vacancies
- (3) By-Law changes/revisions

Board action on these matters shall not be considered valid unless such votes are approved by a vote of the Active Organizational Members.

ARTICLE 8 OFFICERS

Section 8.1 Officer Directors

The Officer Directors shall be a President, four (4) Vice-Presidents, a Secretary, and a Treasurer. These persons shall be elected by the Active Organizational Members at the Annual Meeting. Any number of offices may be held by the same person, except that the Secretary and the Treasurer may not serve concurrently as the President.

Section 8.2 Additional Officers

Additional Officers may be appointed by the Board and will serve at the discretion of the Board. References to Officers in these Bylaws do not include Officer Directors.

Section 8.3 Removal of Officers

Subject to the rights, if any, of an Officer under any contract of employment, any Officer may be removed, with or without cause, (i) by the Board, at any regular or special meeting of the Board, or (ii) by an Officer Director on whom such power of removal may be conferred by the Board.

Section 8.4 Resignation of Officers

Any Officer may resign at any time by giving written notice to the Board. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any of RUGBY NORCAL under any contract to which the Officer is a party.

Section 8.5 Vacancies in Offices

A vacancy in any office because of death, resignation, removal or disqualification of the Office, shall be filled temporarily by appointment by the President and the appointee shall remain in office for 60 days, or until the next regular meeting of the Board, whichever comes first. Thereafter, the position can be filled only by action of the Board.

Section 8.6 Responsibilities of Officer Directors

8.6.1 President

The President of RUGBY NORCAL shall preside at meetings of the Board, acting as the Chairperson of the Board, and exercise and perform such other powers and duties as may from time to time be assigned to him/her by the Board or prescribed by these Bylaws. If no other person is designated as the chief executive, the President shall, in addition, be the chief executive and shall have the powers and duties prescribed in Section 8.7.

8.6.2 Vice President, Operations

The Vice President, Operations of RUGBY NORCAL shall, in the absence or disability of the President, perform all the duties of the President and, when so acting, have all the powers of and be subject to all the restrictions upon, the President. The Vice President, Operations shall

serve as the Chair of the Operations Leadership Group composed of the Chairs of the Board Committees (if any). The Vice President, Operations shall have such other powers and perform such other duties as may be prescribed by the Board.

8.6.3 Vice President, Competitions

The Vice President, Competitions of RUGBY NORCAL shall serve as the chair of the Competitions Committee, and shall have such other powers and perform such other duties as may be prescribed by the Board.

8.6.4 Vice President, Discipline

The Vice President, Discipline of RUGBY NORCAL shall serve as the chair of the Disciplinary Committee, and shall have such other powers and perform such other duties as may be prescribed by the Board.

8.6.5 Vice President, Junior Youth Rugby

The Vice President, Junior Youth Rugby of the RUGBY NORCAL shall serve as the chair of the Junior Youth Committee, and shall have such other powers and perform such other duties as may be prescribed by the Board.

8.6.6 Secretary

The Secretary of RUGBY NORCAL shall attend to the following:

8.6.6.1 Bylaws

The Secretary shall certify and keep or cause to be kept at the principal office of RUGBY NORCAL the original or a copy of these Bylaws as amended to date.

8.6.6.2 Minute Book

The Secretary shall keep or cause to be kept a minute book as described in Section 15.1.

8.6.6.3 Notices

The Secretary shall give, or cause to be given, notice of all meetings of the Board and of the Active Organizational Members in accordance with these Bylaws.

8.6.6.4 Corporate Records

Upon request, the Secretary shall exhibit or cause to be exhibited at all reasonable times to any Director or Active Organizational Members, or to his or her or its agent or attorney, these Bylaws and the minute book.

8.6.6.5 Corporate Seal and Other Duties

The Secretary shall keep or cause to be kept the seal of RUGBY NORCAL, if any, in safe custody, and shall have such other powers and perform such other duties incident to the office of Secretary as may be prescribed by the Board or these Bylaws.

8.6.7 Treasurer

The Treasurer of RUGBY NORCAL (the "Treasurer") shall attend to the following:

8.6.7.1 Books of Account

The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and transactions of RUGBY NORCAL, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements. The books of account shall be open to inspection by any Director at all reasonable times.

8.6.7.2 Financial Reports

The Treasurer shall prepare, or cause to be prepared, and certify, or cause to be certified, the financial statements to be included in any required reports.

8.6.7.3 Deposit and Disbursement of Money and Valuables

The Treasurer shall deposit, or cause to be deposited, all money and other valuables in the name and to the credit of RUGBY NORCAL with such depositories as may be designated by the Board; shall disburse, or cause to be disbursed, the funds of RUGBY NORCAL as may be ordered by the Board; shall render, or cause to be rendered to the President, Chief Executive and Directors, whenever they request it, an account of all of his or her transactions as Treasurer and of the financial condition of RUGBY NORCAL; and shall have other powers and perform such other duties incident to the office of Treasurer as may be prescribed by the Board or these Bylaws.

8.6.7.4 Budget Preparation

The Treasurer shall prepare and submit an annual budget for approval by the Board following presentation to and discussion with the Active Organizational Members at the Annual Meeting.

8.6.7.5 Bond

If required by the Board, the Treasurer shall give RUGBY NORCAL a bond in the amount and with the surety or sureties specified by the Board for faithful performance of the duties of his office and for restoration to RUGBY NORCAL of all its books, papers, vouchers, money, and other property of every kind in his possession or under his control on his death, resignation, retirement, or removal from office.

8.6.8 Additional Officers

The Board may empower the President, or Chief Executive, to appoint or remove such other Officers as the business of RUGBY NORCAL may require, each of whom shall hold office for such period, have such authority, and perform such duties as are provided in these Bylaws or as the Board from time to time may determine.

Section 8.7 Chief Executive

Subject to such supervisory powers as may be given by the Board to the President, the Board may appoint a chief executive who shall be the general manager of RUGBY NORCAL, and subject to the control of the Board, shall supervise, direct and control RUGBY NORCAL's day-to-day activities, business and affairs including communication with USA Rugby. The chief executive (who may be referred to as the "Chief Executive Officer" or "Executive Director") shall be empowered to hire, supervise and dismiss all of the employees of RUGBY NORCAL, under such terms and having such job responsibilities as the Chief Executive shall determine in his or her sole discretion, subject to the rights, if any, of the employee under any contract of employment. The Chief Executive may delegate his or her responsibilities and powers to other Officers, subject to the control of the Board. The Chief Executive will have the power to enact or change RUGBY NORCAL Policies and Procedures during the year in order to further the mission and goals of RUGBY NORCAL under consideration that those Policies and Procedures are in the best interests of the Active Organizational Members as a whole, other than those procedures included in Section 7.17. He or she shall have such other powers and duties as may be prescribed by the Board or these Bylaws.

Section 8.8

ARTICLE 9 **COMPETITIONS COMMITTEE**

Section 9.1 Purpose

The purpose of the Competitions Committee shall be to exercise jurisdiction over all post junior youth rugby competitions, tournaments and matches involving post junior youth RUGBY NORCAL members, and to strive to provide safe, fair, equitable and appropriate opportunities for RUGBY NORCAL athletes to compete in the sport of rugby.

Section 9.2 Duties

The duties of the Competitions Committee shall include creating annual competition schedules, to govern regional playoff contests, and to adjudicate all problems, challenges and questions regarding competition posed to RUGBY NORCAL by Active Organizational

Members, including appeals of any competitions related decisions. Recommendations of policy and procedure shall be made to the Chief Executive or Board for implementation or vote.

Section 9.3 Number and Composition

The Competitions Committee shall be chaired by the Vice-President - Competitions, and shall include a minimum of eight (8) members, with at least two (2) members from each Region. The exact number and composition of the committee shall be determined by the Vice President – Competitions to ensure that all post junior youth age-grades, Regions and codes are fairly represented, and that competition is actively and effectively managed.

Section 9.4 Selection of Committee Members

Members of the Competitions Committee shall be appointed by the Vice President – Competitions and the Chief Executive, if any, before, during, or immediately following the Annual Meeting, according to selection procedures approved by Board resolution.

ARTICLE 10 DISCIPLINARY COMMITTEE

Section 10.1 Purpose

The purpose of the Disciplinary Committee is to adjudicate infractions of RUGBY NORCAL policies, procedures and general rules.

Section 10.2 Duties

The duties of the Disciplinary Committee are to:

- (a) record and review all alleged cases of misconduct involving individuals, players, coaches, and clubs connected in any manner with any game played within RUGBY NORCAL, including any tournament hosted within RUGBY NORCAL, or with the sport of Rugby Union within RUGBY NORCAL;
- (b) review all cases involving referee's recommendations, and any conduct that the President, Chief Executive, or Board may consider detrimental to RUGBY NORCAL.

Section 10.3 Number and Composition

The Disciplinary Committee shall be chaired by the Vice President – Discipline, and the number and composition of the committee shall include a minimum of four (4), and a maximum of eight (8) with at least one (1) representative from each Region. The final number and composition of the committee shall be determined by the Vice President – Discipline and the Chief Executive Officer.

Section 10.4 Selection of Committee Members

Members of the Disciplinary Committee shall be appointed by the Vice President – Discipline and the Chief Executive, if any, during, or immediately following the Annual Meeting.

Section 10.5 Powers

The Disciplinary Committee shall, at their discretion, have the power to determine whether information about any possible violation of any RUGBY NORCAL rule and regulation is sufficiently reliable to justify further investigation. The Disciplinary Committee shall also, at their discretion, determine whether to conduct any investigation of possible violations of RUGBY NORCAL rules and regulations as well as the nature and extent of any investigation that may be conducted and the procedures to be used in any such investigation. Factors to be considered by the Disciplinary Committee in making these determinations may include, but are not limited to:

- (a) The seriousness of the alleged violation;
- (b) Whether the violation is inadvertent;
- (c) Any other factor the Disciplinary Committee may deem relevant in making these decisions.

ARTICLE 11 JUNIOR YOUTH COMMITTEE

Section 11.1 Purpose

The purpose of the Junior Youth Committee shall be to exercise jurisdiction over the junior youth interests in the sport involving junior youth RUGBY NORCAL members, to include season schedules and tournaments, and to strive to provide safe, fair, equitable and appropriate opportunities for RUGBY NORCAL junior youth athletes to compete in the sport of rugby.

Section 11.2 Duties

The duties of the Junior Youth Committee shall include leadership, guidance, organization, and coordination of competitions, tournaments and matches involving junior youth RUGBY NORCAL members. The Junior Youth Committee is also entrusted with the consultation and writing of safety policy relating to the junior youth members of the RUGBY NORCAL. Recommendations of policy and procedure shall be made to the Chief Executive or Board for implementation or vote.

Section 11.3 Number and Composition

The Junior Youth Committee shall be chaired by the Vice-President – Junior Youth, and shall include a minimum of eight (8) members, with at least one (1) member from each Region. The exact number and composition of the committee shall be determined by the Vice President – Junior Youth to ensure that all junior youth age-grades, geographic regions and codes are fairly represented, and that competition is actively and effectively managed.

Section 11.4 Selection of Committee Members

Members of the Junior Youth Committee shall be appointed by the Vice President – Junior Youth and the Chief Executive, if any, before, during, or immediately following the Annual Meeting, according to selection procedures approved by Board resolution.

ARTICLE 12 ADDITIONAL BOARD COMMITTEES

Section 12.1 Additional Board Committees

The Board may, by resolution adopted by a majority of the Directors then in office, create one or more Board Committees (“Committees”), including an executive committee, each consisting of two or more Directors and the Chief Executive, to serve at the discretion of the Board. Any Committee, to the extent provided in the resolution of the Board, may be given the authority of the Board except that no Committee may:

- (a) approve any action for which the California Nonprofit Corporation Law also requires approval of the members or approval of a majority of all members;
- (b) fill vacancies on the Board or in any Committee which has the authority of the Board;
- (c) fix compensation of the Directors for serving on the Board or on any Committee;
- (d) amend or repeal Bylaws or adopt new Bylaws;
- (e) amend or repeal any resolution of the Board which by its express terms is not so amendable or repealable;
- (f) appoint any other Committees or the members of these Committees;
- (g) expend corporate funds to support a nominee for Director after more persons have been nominated than can be elected; or
- (h) approve any transaction (i) between RUGBY NORCAL and one or more of its Directors or (ii) between RUGBY NORCAL and any entity in which one or more of its Directors have a material financial interest.

Section 12.2 Meetings and Action of Board Committees

Meetings and action of Committees shall be governed by, and held and taken in accordance with, the provisions of Article 7 concerning meetings of Directors, with such changes in the context of Article 7 as are necessary to substitute the Committee and its members for the Board and its members, except that the time for regular meetings of Committees may be determined by resolution of the Board, and special meetings of Committees may also be called by resolution of the Board. Minutes shall be kept of each meeting of any Committee and shall be filed with the corporate records. The Committee shall report to the Board from time to time as the Board may require. The Board may adopt rules for the governance of any Committee not inconsistent with the provisions by these Bylaws. In the absence of rules adopted by the Board, the Committee may adopt such rules.

Section 12.3 Quorum Rules for Board Committees

A majority of the Committee members shall constitute a quorum for the transaction of Committee business, except to adjourn. A majority of the Committee members present, whether or not constituting a quorum, may adjourn any meeting to another time and place. Every act taken or decision made by a majority of the Committee members present at a meeting duly held at which a quorum is present shall be regarded as an act of the Committee, subject to the provisions of the California Nonprofit Corporation Law relating to actions that require a majority vote of the entire Board. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Committee members, if any action taken is approved by at least a majority of the required quorum for that meeting.

Section 12.4 Revocation of Delegated Authority

The Board may, at any time, revoke or modify any or all of the authority that the Board has delegated to a Committee, increase or decrease (but not below two) the number of members of a Committee, and fill vacancies in a Committee from the members of the Board.

Section 12.5 Nonprofit Integrity Act/Audit Committee

In any fiscal year in which RUGBY NORCAL receives or accrues gross revenues of two million dollars or more (excluding grants from, and contracts for services with, governmental entities for which the governmental entity requires an accounting of the funds received), the Board shall (i) prepare annual financial statements using generally accepted accounting principles that are audited by an independent certified public accountant (“CPA”) in conformity with generally accepted auditing standards; (ii) make the audit available to the Attorney General and to the public on the same basis that the Internal Revenue Service Form 990 is required to be made available; and (iii) appoint an Audit Committee.

The Audit Committee shall not include paid or unpaid staff or employees of RUGBY NORCAL, including, if staff members or employees, the President or Chief Executive or the Treasurer or chief financial officer (if any). If there is a finance committee, members of the finance committee shall constitute less than 50% of the membership of the Audit Committee and the chairperson of the Audit Committee shall not be a member of the finance committee. Subject to the supervision of the Board, the Audit Committee shall:

- (a) make recommendations to the Board on the hiring and firing of the CPA;
- (b) confer with the CPA to satisfy Audit Committee members that the financial affairs of RUGBY NORCAL are in order;
- (c) approve non-audit services by the CPA and ensure such services conform to standards in the Yellow Book issued by the United States Comptroller General; and
- (d) if requested by the Board, negotiate the CPA’s compensation on behalf of the Board.

Section 12.6 Advisory Committees

The Board may create one or more advisory committees to serve at the pleasure of the

Board. Appointments to such advisory committees need not, but may, be Directors. The Board shall appoint and discharge advisory committee members. All actions and recommendations of an advisory committee shall require ratification by the Board before being given effect.

ARTICLE 13 TRANSACTIONS BETWEEN CORPORATION AND DIRECTORS OR OFFICERS

Section 13.1 Transactions with Directors and Officers

13.1.1 Interested Party Transactions

Except as described in Section 13.1.2, RUGBY NORCAL shall not be a party to any transaction:

- (a) in which one or more of its Directors or Officers has a material financial interest, or
- (b) with any corporation, firm, association, or other entity in which one or more Directors or Officers has a material financial interest.

13.1.2 Requirements to Authorize Interested Party Transactions

RUGBY NORCAL shall not be a party to any transaction described in 13.1.1 unless:

- (a) RUGBY NORCAL enters into the transaction for its own benefit;
- (b) the transaction is fair and reasonable to RUGBY NORCAL at the time the transaction is entered into;
- (c) prior to consummating the transaction or any part thereof, the Board authorizes or approves the transaction in good faith, by a vote of a majority of Directors then in office (without counting the vote of the interested Directors), and with knowledge of the material facts concerning the transaction and the interested Director's or Officer's financial interest in the transaction;
- (d) prior to authorizing or approving the transaction, the Board considers and in good faith determines after reasonable investigation that RUGBY NORCAL could not obtain a more advantageous arrangement with reasonable effort under the circumstances; and
- (e) the minutes of the Board meeting at which such action was taken reflect that the Board considered and made the findings described in paragraphs (a) through (d) of this Section 13.1.2.

13.1.3 Material Financial Interest

A Director or Officer shall not be deemed to have a "material financial interest" in a transaction:

13.1.3.1 that fixes the compensation of a Director as a Director or Officer;

13.1.3.2 if the contract or transaction is part of a public or charitable program of RUGBY NORCAL and it (1) is approved or authorized by RUGBY NORCAL in good faith and without unjustified favoritism, and (2) results in a benefit to one or more Directors or their families only because they are in the class of persons intended to be benefited by the program; or

13.1.3.3 where the interested Director has no actual knowledge of the transaction and it does not exceed the lesser of one percent of the gross receipts of RUGBY NORCAL for the preceding year or \$10,000.

Section 13.2 Loans to Directors and Officers

RUGBY NORCAL shall not make any loan of money or property to or guarantee the obligation of any Director or Officer, unless approved by the Attorney General; except that,

however, RUGBY NORCAL may advance money to a Director or Officer for expenses reasonably anticipated to be incurred in the performance of duties of such Director or Officer, if in the absence of such advance, such Director or Officer would be entitled to be reimbursed for such expenses by RUGBY NORCAL.

Section 13.3 Interlocking Directorates

No contract or other transaction between RUGBY NORCAL and any corporation, firm or association of which one or more Directors are directors is either void or voidable because such Director(s) are present at the Board or Committee meeting that authorizes, approves or ratifies the contract or transaction, if (i) the material facts as to the transaction and as to such Director's other directorship are fully disclosed or known to the Board or Committee, and the Board or Committee authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient without counting the vote of the common Director(s) (subject to the quorum provisions of Article 7); or if (ii) the contract or transaction is just and reasonable as to RUGBY NORCAL at the time it is authorized, approved or ratified.

Section 13.4 Duty of Loyalty; Construction with Article 14

Nothing in this ARTICLE 13 shall be construed to derogate in any way from the absolute duty of loyalty that every Director and Officer owes to RUGBY NORCAL. Furthermore, nothing in this ARTICLE 13 shall be construed to override or amend the provisions of Article 14. All conflicts between the two articles shall be resolved in favor of Article 14.

ARTICLE 14 INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS

Section 14.1 Definitions

For purpose of this Article 14,

14.1.1 "Agent"

means any person who is or was a Director, Officer, employee, or other agent of RUGBY NORCAL, or is or was serving at the request of RUGBY NORCAL as a Director, Officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, or was a Director, Officer, employee, or agent of a foreign or domestic corporation that was a predecessor corporation of RUGBY NORCAL or of another enterprise at the request of the predecessor corporation;

14.1.2 "Proceeding"

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

14.1.3 "Expenses"

includes, without limitation, all attorneys' fees, costs, and any other expenses reasonably incurred in the defense of any claims or proceedings against an Agent by reason of his or her position or relationship as Agent and all attorneys' fees, costs, and other expenses reasonably incurred in establishing a right to indemnification under this Article 14.

Section 14.2 Applicability of Indemnification Provisions

14.2.1 Successful Defense by Agent

To the extent that an Agent has been successful on the merits in the defense of any proceeding referred to in this Article 14, or in the defense of any claim, issue, or matter therein, the Agent shall be indemnified against expenses actually and reasonably incurred by the Agent in connection with the claim.

14.2.2 Settlement or Unsuccessful Defense by Agent

If an Agent either settles any proceeding referred to in this Article 14, or any claim, issue, or matter therein, or sustains a judgment rendered against him, then the provisions of Section 14.3 through Section 14.6 shall determine whether the Agent is entitled to indemnification.

Section 14.3 Actions Brought by Persons Other than RUGBY NORCAL

This Section 14.3 applies to any proceeding other than an action "by or on behalf of RUGBY

NORCAL” as defined in Section 14.4. Such proceedings that are not brought by or on behalf of RUGBY NORCAL are referred to in this Section 14.3 as “Third Party proceedings.”

14.3.1 Scope of Indemnification in Third Party Proceedings

Subject to the required findings to be made pursuant to Section 14.3.2 RUGBY NORCAL shall indemnify any person who was or is a party, or is threatened to be made a party, to any Third Party proceeding, by reason of the fact that such person is or was an Agent, for all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with the proceeding.

14.3.2 Required Standard of Conduct for Indemnification in Third Party Proceedings

Any indemnification granted to an Agent in Section 14.3.1 above is conditioned on the following. The Board must determine, in the manner provided in Section 14.5, that the Agent seeking reimbursement acted in good faith, in a manner he or she reasonably believed to be in the best interest of RUGBY NORCAL, and, in the case of a criminal proceeding, he or she must have had no reasonable cause to believe that his or her conduct was unlawful. The termination of any proceeding by judgment, order, settlement, conviction, or on a plea of *nolo contendere* or its equivalent shall not, of itself, create a presumption that the person did not act in good faith or in a manner he or she reasonably believed to be in the best interest of RUGBY NORCAL or that he or she had reasonable cause to believe that his or her conduct was unlawful.

Section 14.4 Action Brought By or On Behalf Of RUGBY NORCAL

This Section 14.4 applies to any proceeding brought (i) by or in the right of RUGBY NORCAL, or (ii) by an Officer, Director or person granted relator status by the Attorney General, or by the Attorney General, on the ground that the defendant Director was or is engaging in self-dealing within the meaning of section 5233 of the California Nonprofit Corporation Law, or (iii) by the Attorney General or person granted relator status by the Attorney General for any breach of duty relating to assets held in charitable trust (any such proceeding is referred to in these Bylaws as a proceeding “by or on behalf of RUGBY NORCAL”).

14.4.1 Scope of Indemnification in Proceeding By or On Behalf Of RUGBY NORCAL

Subject to the required findings to be made pursuant to Section 14.4.2, and except as provided in Sections 14.4.3 and 14.4.4, RUGBY NORCAL may indemnify any person who was or is a party, or is threatened to be made a party, to any proceeding by or on behalf of RUGBY NORCAL, by reason of the fact that such person is or was an Agent, for all expenses actually and reasonably incurred in connection with the defense or settlement of such action.

14.4.2 Required Standard of Conduct for Indemnification in Proceeding By or On Behalf Of RUGBY NORCAL

Any indemnification granted to an Agent in Section 14.4.1 is conditioned on the following. The Board must determine, in the manner provided in Section 14.5, that the Agent seeking reimbursement acted in good faith, in a manner he or she believed to be in the best interest of RUGBY NORCAL and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

14.4.3 Claims Settled Out of Court

If any Agent settles or otherwise disposes of a threatened or pending action brought by or on behalf of RUGBY NORCAL, with or without court approval, the Agent shall receive no indemnification for amounts paid pursuant to the terms of the settlement or other disposition. Also, in cases settled or otherwise disposed of without court approval, the Agent shall receive no indemnification for expenses reasonably incurred in defending against the proceeding, unless the proceeding is settled with the approval of the Attorney General.

14.4.4 Claims and Suits Awarded Against Agent

If any Agent is adjudged to be liable to RUGBY NORCAL in the performance of the Agent’s duty to RUGBY NORCAL, the Agent shall receive no indemnification for amounts paid pursuant to the judgment, and any indemnification of such Agent under Section 14.4.1 for expenses actually and reasonably incurred in connection with the defense of that action shall be made only if both of the following conditions are met:

- (a) The determination of good faith conduct required by Section 14.4.2 must be made in the manner provided for in Section 14.5; and
- (b) Upon application, the court in which the action was brought must determine that, in view of all of the circumstances of the case, the Agent is fairly and reasonably entitled to indemnity for the expenses incurred. If the Agent is found to be so entitled, the court shall determine the appropriate amount of expenses to be reimbursed.

Section 14.5 Determination of Agent's Good Faith Conduct

The indemnification granted to an Agent in Section 14.3 and Section 14.4 is conditioned on the findings required by those Sections being made by:

- (a) the Board by a majority vote of a quorum consisting of Directors who are not parties to the proceeding; or
- (b) the court in which the proceeding is or was pending. Such determination may be made on application brought by RUGBY NORCAL or the Agent or the attorney or other person rendering a defense to the Agent, whether or not the application by the Agent, attorney, or other person is opposed by RUGBY NORCAL.

Section 14.6 Limitations

No indemnification or advance shall be made under this Article 14, except as provided in Section 14.2.1 or Section 14.5(b), in any circumstances when it appears:

- (a) that the indemnification or advance would be inconsistent with a provision of the Articles of Incorporation, as amended, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or
- (b) that the indemnification would be inconsistent with any condition expressly imposed by a court in approving a settlement.

Section 14.7 Advance of Expenses

Expenses incurred in defending any proceeding may be advanced by RUGBY NORCAL before the final disposition of the proceeding on receipt of an undertaking by or on behalf of the Agent to repay the amount of the advance unless it is determined ultimately that the Agent is entitled to be indemnified as authorized in this Article 14.

Section 14.8 Contractual Rights of Non-Directors and Non-Officers

Nothing contained in this Article 14 shall affect any right to indemnification to which persons other than Directors and Officers of RUGBY NORCAL, or any of its subsidiaries, may be entitled by contract or otherwise.

Section 14.9 Insurance

The Board may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any Agent, as defined in this Article 14, against any liability asserted against or incurred by any Agent in such capacity or arising out of the Agent's status as such, whether or not RUGBY NORCAL would have the power to indemnify the Agent against the liability under the provisions of this Article 14.

ARTICLE 15 CORPORATE RECORDS, REPORTS AND SEAL

Section 15.1 Minute Book

RUGBY NORCAL shall keep a minute book in written form which shall contain a record of all actions by the Board or any committee including (i) the time, date and place of each meeting; (ii) whether a meeting is regular or special and, if special, how called; (iii) the manner of giving notice of each meeting and a copy thereof; (iv) the names of those present at each meeting of the Board or any Committee thereof; (v) the minutes of all meetings; (vi) any written waivers of notice, consents to the holding of a meeting or approvals of the

minutes thereof; (vii) all written consents for action without a meeting; (viii) all protests concerning lack of notice; and (ix) formal dissents from Board actions.

Section 15.2 Books and Records of Account

RUGBY NORCAL shall keep adequate and correct books and records of account. "Correct books and records" includes, but is not necessarily limited to: accounts of properties and transactions, its assets, liabilities, receipts, disbursements, gains, and losses.

Section 15.3 Articles of Incorporation and Bylaws

RUGBY NORCAL shall keep at its principal office, the original or a copy of the Articles of Incorporation and Bylaws as amended to date.

Section 15.4 Maintenance and Inspection of Federal Tax Exemption Application and Annual Information Returns

RUGBY NORCAL shall at all times keep at its principal office a copy of its federal tax exemption application and, for three years from their date of filing, its annual information returns. These documents shall be open to public inspection and copying to the extent required by the Code.

Section 15.5 Annual Report; Statement of Certain Transactions

The Board shall cause an annual report to be sent to each Director within 120 days after the close of RUGBY NORCAL's fiscal year containing the following information:

- (a) The assets and liabilities of RUGBY NORCAL as of the end of the fiscal year;
- (b) The principal changes in assets and liabilities, including trust funds, during the fiscal year;
- (c) The revenue or receipts of RUGBY NORCAL, both unrestricted and restricted to particular purposes, for this fiscal year;
- (d) The expenses or disbursements of RUGBY NORCAL for both general and restricted purposes during the fiscal year;
- (e) A statement of any transaction (i) to which RUGBY NORCAL, its parent, or its subsidiary was a party,
 - (ii) which involved more than \$10,000 or which was one of a number of such transactions with the same person involving, in the aggregate, more than \$10,000, and (iii) in which either of the following interested persons had a direct or indirect material financial interest (a mere common directorship is not a financial interest):
 - (1) Any Director or Officer of RUGBY NORCAL, its parent, or its subsidiary;
 - (2) Any holder of more than 10% of the voting power of RUGBY NORCAL, its parent, or its subsidiary.

The statement shall include: (i) a brief description of the transaction; (ii) the names of interested persons involved; (iii) their relationship to RUGBY NORCAL; (iv) the nature of their interest in the transaction, and; (v) when practicable, the amount of that interest, provided that, in the case of a partnership in which such person is a partner, only the interest of the partnership need be stated.

- (f) A brief description of the amounts and circumstances of any loans, guaranties, indemnifications, or advances aggregating more than \$10,000 paid during the fiscal year to any Officer or Director under ARTICLE 13 or ARTICLE 14.

Section 15.6 Directors' and Active Organizational Members Rights of Inspection

Every Director and Active Organizational Member shall have the absolute right at any reasonable time to inspect the books, records, documents of every kind, and physical properties of RUGBY NORCAL and each of its subsidiaries. The inspection may be made in person or by the Director's agent or attorney. The right of inspection includes the right to copy and make extracts of documents.

Section 15.7 Corporate Seal

The corporate seal, if any, shall be in such form as may be approved from time to time by the Board. Failure to affix the seal to corporate instruments, however, shall not affect the validity of any such instrument.

ARTICLE 16 EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS

Section 16.1 Execution of Instruments

The Board, except as otherwise provided in these Bylaws, may by resolution authorize any Officer or agent of RUGBY NORCAL to enter into any contract or execute and deliver any instrument in the name of and on behalf of RUGBY NORCAL, and such authority may be general or confined to specific instances. Unless so authorized, no Officer, agent, or employee shall have any power or authority to bind RUGBY NORCAL by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

Section 16.2 Checks and Notes

Except as otherwise specifically determined by 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 RUGBY NORCAL shall be signed by the Treasurer and countersigned by the President.

Section 16.3 Deposits

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

Section 16.4 Gifts

The Board may accept on behalf of RUGBY NORCAL any contribution, gift, bequest, or devise for the charitable or public purposes of RUGBY NORCAL.

ARTICLE 17 CONSTRUCTION AND DEFINITIONS

Unless the context requires otherwise, the general provisions, rules of construction, and definitions of California Nonprofit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of the above, the masculine gender includes the feminine and neuter, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both RUGBY NORCAL and a natural person. All references to statutes, regulations and laws shall include any future statutes, regulations and laws that replace those referenced.

ARTICLE 18 AMENDMENTS

Section 18.1 Amendment to these Bylaws by Directors

Subject to any provision of law applicable to the amendment of bylaws of public benefit nonprofit corporations, these bylaws, or any of them, may be altered, amended, or repealed and new bylaws adopted as follows:

- (a) Subject to the power of Active Organizational Members, if any, to change or repeal these bylaws under Section 5150 of the Corporations Code, by approval of the Board unless the bylaw amendment would materially and adversely affect the rights of Active Organizational Members as to voting or, ,change the maximum or minimum number of directors; or
- (b) By approval of the Active Organizational Members of RUGBY NORCAL.

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of **RUGBY NORCAL**, Inc., a California nonprofit public benefit corporation; that these Bylaws, consisting of 21 pages, are the Bylaws of this Corporation as adopted by the Board of Directors on October 29th, 2014; and that these Bylaws have not been amended or modified since that date.

Executed on _____ at _____

Secretary