**BYLAWS OF**

**WOMEN FOR WINESENSE**,

a California nonprofit mutual benefit corporation

# **OFFICE**

## PRINCIPAL OFFICE. The principal office for the transaction of the activities and affairs of Women for WineSense (the “**Corporation**”) is located at 3121 Park Avenue, Suite C, Soquel, California 95073.

## CHANGE OF ADDRESS. The Board of Directors (“**National Board**”) as used herein shall mean the National Board of Directors. The National Board may at any time change the principal office from one location to another. Any such change of address will be noted by the Secretary in these Bylaws, but will not be considered an amendment of these Bylaws

## OTHER OFFICES. The Corporation may establish offices at such other places, within or outside the State of California, where it is qualified to do business, as its business may require and as the National Board may, from time to time, designate.

# **PURPOSES AND LIMITATIONS**

## GENERAL PURPOSE. This Corporation is a nonprofit Mutual Benefit Corporation organized under the Nonprofit Mutual Benefit Corporation Law of California (Section 7110 et. seq.) (“**Nonprofit Law**”). The purpose of this Corporation is to engage in any lawful act or activity, other than credit union business, for which a corporation may be organized under the Nonprofit Law. The Corporation is nonprofit and non-partisan.

## SPECIFIC PURPOSES. Within the context of the foregoing general purpose, the primary objectives and purposes of this Corporation shall be to support the view that wine consumption in moderation is part of a healthy lifestyle and to provide interested individuals with unbiased information about the benefits of moderate wine consumption. The role of the Corporation is educational and pro-active to clarify the issue of use versus abuse, to distinguish wine as a unique agriculturally based product, and to publicize wine’s place in a healthy and balanced lifestyle. The Corporation supports an individual’s right to access correct information about wine and the wine industry in order to make informed decisions about personal consumption. The Corporation, among other activities as may be determined by the National Board from time-to-time, shall publish a newsletter, serve as a source for speakers, and provide educational materials and opportunities on women, wine and wine industry issues for any interested persons. The Corporation is not expert in nor does it profess to have any scientific claims relative to the subject of wine or alcoholic beverages.

## LIMITATIONS. Notwithstanding any of the above statements of purposes and powers, the Corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the specific purposes of this Corporation. It is not the intent or the purpose of the Corporation to engage in, except to an insubstantial degree, activities, including the publication or dissemination of materials, to attempt to influence legislation, nor is it the intent nor purpose of the Corporation to provide, participate in or intervene in any political campaign on behalf of any candidate at any level for public office.

# **membership**

## NO MEMBERS. The Corporation will have no members.

## AFFILIATES: There shall be two classes of affiliates (“**Affiliates**”) in this Corporation. Affiliates may be referred to as "members" in materials constructed and distributed by the Corporation, but such designation shall not entitle Affiliates to any rights pursuant to the Nonprofit Law in violation of these Bylaws. The classes of Affiliates shall be regular or honorary.

## APPROVAL OF NATIONAL BOARD. Pursuant to Section 7310(b)(1) of the Nonprofit Law, any action that would otherwise require approval by the Affiliates of the Corporation, shall only require the approval of the National Board. All rights that would otherwise vest to Affiliates under the Nonprofit Law will vest in the National Board.

## QUALIFICATIONS FOR REGULAR AFFILIATES: Any person twenty-one years of age or older, of good character, and dedicated to the purposes of this Corporation, shall be eligible to act as regular Affiliates upon acceptance of his or her application and payment of such dues and fees as may from time to time be fixed by the National Board. Regular Affiliates may be identified as Professional Members, Aficionado Members, and Student Members.

## QUALIFICATIONS FOR HONORARY AFFILIATES: The National Board may establish the category of Honorary Affiliates, and the qualifications for such, from time to time.

## FEES, DUES AND ASSESSMENTS: Each Affiliate in good standing must pay, within the time and on the conditions set by the National Board, the initiation fee and annual dues in amounts to be fixed from time to time by the National Board.

## CAUSES OF TERMINATION: An Affiliate shall terminate his or her status upon occurrence of any of the following events: (i) The resignation of the Affiliate; (ii) Expiration of the membership period of Affiliate, unless the Affiliate sooner renews for a subsequent period, on the renewal terms set by the National Board; or (iii) The determination by the National Board or a committee designated to make such determination that the Affiliate has failed in a material and serious degree to observe the rules of conduct of the Corporation, or has engaged in conduct materially and seriously prejudicial to the interests of the Corporation.

## BENEFITS OF AFFILIATES: Affiliates of the Corporation shall have such benefits as the National Board shall from time to time determine; provided, however, that Affiliates shall not be entitled to vote for the election of directors to the National Board, nor shall they have the rights or privileges conferred upon members by the Nonprofit Law.

# **ORGANIZATION; National Board of Directors**

## ORGANIZATION. The organizational structure of the Corporation is as follows:

### National: The National Board assures that the Corporation is in good standing and that it operates according to its Bylaws. The National Board is made up of National Officers, National Directors, and Chapter Presidents, however, only Presidents of Chapters that are Active/In Good Standing shall have voting rights (collectively, “**Voting Directors**”). Presidents of Chapters that are Active/Not in Good Standing, in Reorganization, in Dissolution or in Development shall not have voting rights ("**Non-Voting Directors**"). The National Board’s primary responsibilities are to oversee the general operations of the Corporation.

#### National Officers shall include the National President, Secretary, and Chief Financial Officer and may include the office of Vice President.

#### National Directors vary as the needs of the Corporation evolve but typically include a Marketing Director, Technology Director, Grand Event Director, Chapter Development Director, and Director at Large. Details of each officer’s and director’s responsibilities are outlined in their job description which are maintained outside of these Bylaws, which shall include, but not be limited to:

##### Provide direction and leadership for all local chapters assuring that all chapters support the vision and mission.

##### Maintain a national perspective and presence.

##### Provide local chapter development and support.

##### Facilitate the sharing of best practices across local chapters

##### Maintain the Affiliate database.

##### Oversee compliance with 501(c)(6) nonprofit status.

##### Oversee compliance with the Corporation’s Bylaws.

##### Complete the required tax returns.

##### Create and maintain a national budget.

##### Participate in monthly National Board conference calls.

##### Attend monthly National Officers and Director meetings.

### Local Chapters: The National Board may approve the formation of local chapters, in accordance with Article IX of these Bylaws. Local chapters shall hold educational wine events and organize networking opportunities, recruit new Affiliates and renew existing Affiliates. Local chapters shall operate under the guidance of the National Board in accordance with Article IX of these Bylaws.

## GENERAL POWERS OF THE NATIONAL BOARD. Subject to the provisions and limitations of the Nonprofit Law, any other applicable laws, any limitations of the Corporation’s Articles of Incorporation, as amended from time to time (“**Articles**”), or any provisions of these Bylaws, the Corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the National Board.

## SPECIFIC POWERS OF THE NATIONAL BOARD. Without prejudice to the general powers set forth in Section 4.1 (a)(2), but subject to the same limitations, shall have the power to do the following:

### Appoint and remove all corporate officers, chapter officers, agents and employees, prescribe powers and duties for them as are consistent with applicable law, the Articles, and these Bylaws, and fix their compensation, if any.

### Change the principal office or the principal business office from one location to another within or outside the State of California, cause the Corporation to be qualified to conduct its activities in any other state, territory, dependency, or country, conduct its activities in or outside the State of California, and designate any location within or outside California for holding any meeting of the National Board or the Affiliates.

### Borrow money and incur indebtedness on the Corporation's behalf and cause to be executed and delivered for the Corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecation and other evidences of debt and securities.

## NUMBER. The number of directors comprising the National Board shall be not less than seven with the exact authorized number of directors to be determined by the National Board from time to time.

## QUALIFICATION. Any person may be nominated or elected to serve on the Corporation’s National Board so long as the person is an Affiliate or otherwise approved for nomination by a majority vote of the National Board.

## RESTRICTION ON INTERESTED PERSONS AS DIRECTORS: No more than 49 percent of the persons serving on the National Board may be deemed an interested person. An interested person is (a) any person compensated by the Corporation for services rendered to it within the previous 12 months, whether as a full-time or part-time 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, mother-in-law, or father-in-law of such person. However, any violation of the provisions of this paragraph shall not affect the validity or enforceability of any transaction entered into by the Corporation.

## APPOINTMENT OR ELECTION OF DIRECTORS. Directors shall be elected by a simple majority vote of the National Board at a regularly scheduled meeting, or special meeting in the case of a vacancy, at which a quorum is present, including the vote(s) of any director whose term of office expires with that meeting, excluding, however, a director who has been removed pursuant to Section 4.11. All directors must be active Affiliates of the organization.

## TERM. Each director shall serve a term of two (2) years commencing January 1 of the year elected, except in the case of vacancies. However, the National Board may approve terms of one (1) year or three (3) years if such an arrangement provides continuity in governance of the Corporation. Directors may serve for three (3) consecutive terms in the same office. If a director has held an office for three complete terms, then that director must rotate off the National Board for a full term or hold a different office if elected.

## VACANCIES. A vacancy on the National Board shall be deemed to exist upon the occurrence of any of the following:

### The death, resignation, or removal of any director.

### The declaration by resolution of the National Board of a vacancy in the office of a director who has been (i) declared to be of unsound mind by court order, (ii) convicted of a felony, or (iii) found by final order or judgment of any court to have breached a duty under The Nonprofit Law 7230 et. seq.

### An increase in the authorized number of directors.

### The expiration of a term of a director.

### Except for a vacancy created by the removal of a director by the National Board as set forth in Article 4.11, below, vacancies on the National Board may be filled by a simple majority of the directors then in office, whether or not a quorum is present, or by a sole remaining director. A reduction in the number of authorized directors shall have the effect of removing any director before that director’s term of office naturally expires.

### 4.10. RESIGNATION. Except as provided in this paragraph, any director may resign at any time effective upon receipt of written notice of such resignation by the National President or the National Secretary, unless the notice specifies a later effective date for the resignation. Unless the Corporation would then be left without the minimum number of duly elected directors necessary under these Bylaws to manage its affairs, the acceptance of the resignation shall not be necessary to make it effective.

## 4.11. REMOVAL. Any director may be removed, with or without cause, by a majority vote of the National Board at a special meeting called for that purpose, or at a regular meeting.

## 4.12. COMPENSATION OF DIRECTORS. The National Board may authorize the advance or reimbursement of actual reasonable expenses incurred by a director or member of a committee in carrying out his or her duties. Directors shall not otherwise be compensated for serving on the National Board or a Committee.

# **Meetings of the directors**

## PLACE OF MEETING; MEETING BY TELEPHONE. Regular meetings of the National Board may be held at any place within or outside the State of California, as designated from time to time by resolution of the National Board or in the notice of meeting, or if not so designated at the principal office of the Corporation. Special meetings of the Board shall be held at any place within or outside of the State of California, as designated in the notice of meeting or, if not stated in the notice or if there is no notice, at the principal office of the Corporation. Notwithstanding the above provisions of this Section 5.1, a regular or special meeting of the National Board may be held at any place consented to in writing by all directors, either before or after the meeting. Directors may participate in a meeting through use of conference telephone, electronic video screen communication, or similar communications equipment, so long as all of the following apply: (a) each director participating in the meeting can communicate with all the other directors concurrently; (b) each director is provided the means of participating in all matters before the National Board, including the capacity to propose, or to interpose an objection to, a specific action to be taken by the Corporation; and (c) the Corporation adopts and implements means of verifying both of the following: (i) a person communicating by telephone, electronic video equipment, or other communications equipment is a director entitled to participate in the board meeting; and (ii) all statements, questions, actions, or votes were made by that director and not by another person not permitted to participate as a director. Participation in a meeting pursuant to electronic communication under Section 13.3 shall constitute presence in person at such meeting.

## ANNUAL MEETING. The National Board shall hold an annual meeting around the fourth quarter each year, or on such other date designated by the National Board, at a time designated by the National President for purposes of electing directors and officers, designating committees, and transacting regular business. Notice of the annual meeting is not required.

## REGULAR MEETINGS. Regular meetings of the National Board for any purpose may be called and shall be held at any time designated by the National President, or any two directors. Regular meetings of the directors may be held without notice. Special meetings of the National Board shall be held upon notice in accordance with Section 5.4.

## NOTICE. Notice of special meetings of the National Board shall be given to all directors at least 4 days in advance if given by first-class mail or at least 48 hours in advance if notice is delivered personally, by telephone, or by electronic transmission, provided that such notice may be waived by any director as set forth in Section 5.5. Notice shall not be given by electronic transmission if the Corporation is unsuccessful in delivering two consecutive notices to a director by that means, or if the inability to deliver the notice becomes known to the Secretary or other person responsible for giving such notice. Notice of any meeting required under these Bylaws shall specify the place, day and hour of the meeting; however, the purpose of any meeting need not be specified in the notice.

## WAIVER OF NOTICE. The transactions of any meeting of the National Board, however called and noticed and wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present and (b) either before or after the meeting, each of the directors not present signs a written waiver of notice, a consent to hold of the meeting, or an approval of the minutes. The waiver of notice or consent need not 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. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting before or at its commencement about lack of adequate notice.

## QUORUM AND VOTING OF DIRECTORS. A quorum for the transaction of business, except to adjourn as provided in Section 5.7, shall be a majority of the Voting Directors currently serving on the National Board. Voting Directors present by proxy and Nonvoting Directors may not be counted toward a quorum. Every act or decision done or made by a majority of the Voting Directors present at a meeting at which a quorum is present shall be regarded as the act of the National Board, subject to the provisions of the Nonprofit Law, unless the Articles or Bylaws of this Corporation, or provisions of the Nonprofit Law, particularly those provisions relating to appointment of committees (Section 7212), approval of contracts or transactions in which a director has a material financial interest (Section 7233) and indemnification of directors (Section 7237(e)), require a greater percentage or different voting rules for approval of a matter.

## A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of any Voting Director, if any action taken is approved by at least a majority of the quorum required for the meeting. A Voting Director may vote in person or by proxy executed in writing by the director. No proxy shall be valid after three months from the date of its execution. Each proxy shall be revocable unless expressly provided therein to be irrevocable, and unless otherwise made irrevocable by law.

## ADJOURNMENT; NOTICE. A majority of the Voting Directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place. 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 notice of the time and place of the adjourned meeting shall be given to the directors who were not present at the time of the adjournment. This notice may be waived in the same manner as set forth under Section 5.5.

## CONDUCT OF MEETINGS. Meetings of the National Board shall be presided over by the National President of the Corporation, or in his or her absence, such other officer of the Corporation as the Voting Directors present at the meeting shall appoint. The Secretary of the Corporation shall act as secretary of all meetings of the National Board, provided that, in his or her absence, the presiding officer shall appoint another person to act as Secretary of the meeting. Meetings shall be governed by Robert's Rules of Order as such rules may be revised 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 applicable law.

## ACTION WITHOUT MEETING. An action required or permitted to be taken by the National Board may be taken without a meeting if the majority of all Voting Directors consent to that action and if, subject to Section 7211(b) of the Nonprofit Law. Any such action may be obtained via electronic transmission in accordance with Section 13.3. The written consent or consents shall be filed with the minutes of the proceedings of the National Board. The action by written consent shall have the same force and effect as a unanimous vote of the Voting Directors.

# **OFFICERS**

## OFFICERS. The Corporation shall have the following officers: National President, National Secretary, Chief Financial Officer, Vice President (optional), and such other officers as the National Board may designate by resolution and appoint pursuant to Section 6.3. Officers shall be nominated by motion of any director at the annual meeting, regular meeting, or any special meeting of the National Board. Any person may not hold more than one office. All officers must be active Affiliates of the organization.

## ELECTION. The officers of the Corporation, except those appointed in accordance with the provisions of Section 6.3, shall be chosen by majority vote of the National Board, and each shall serve at the pleasure of the National Board, subject to the rights, if any, of any officer under a contract of employment.

## SUBORDINATE OFFICERS. The National Board may appoint, and may authorize the National President or any other officer to appoint any other officers that the business of the Corporation may require, each of whom shall have the title, hold office for the period, have the authority, and perform the duties specified by the Bylaws or determined from time to time by the National Board.

## TERM. The term of officers is consistent with that of directors as outlined in section 4.8.

## REMOVAL. Subject to rights, if any, under any contract of employment, any officer may be removed, with or without cause, by the National Board, at any regular or special meeting of the National Board, or by an officer on whom such power of removal has been conferred by the National Board.

## RESIGNATION. Any officer may resign at any time by giving written notice to the National Board, the National President, or the Secretary of the Corporation. Any resignation shall take effect on the date the notice is received, or at such later date as may be specified in the notice. Unless otherwise specified in the notice, acceptance of the resignation shall not be necessary to make it effective. Any resignation shall be without prejudice to the rights, if any, of the Corporation under any contract to which the officer is a party.

## VACANCY. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled only in the manner prescribed in these Bylaws for regular appointments to that office. In the event of a vacancy in any office other than that of National President, such vacancy may be filled temporarily by appointment by the National President until such time as the National Board shall fill the vacancy.

## DUTIES OF OFFICERS. Subject to the supervisory powers of the National Board, the officers shall perform such duties necessary to manage and discharge the administration of affairs for the Corporation, and such other duties as required by these Bylaws.

### Duties of the National President: The National President shall be the chief executive officer of the Corporation, and have such other powers and duties as may be prescribed by the National Board or these Bylaws. The National President shall be responsible to the National Board, shall see that the National Board is advised on all significant matters of the Corporation’s business, shall see that all orders and resolutions of the National Board are carried into effect, and subject to the control of the National Board, supervise and control the affairs of the Corporation and the activities of the officers. The National President shall perform all duties incident to his or her office and such other duties as may be required by law, the Articles, these Bylaws, or which may be prescribed from time to time by the National Board. Unless the National Board has specifically appointed another person as Chair of the National Board, he or she shall preside at all meetings of the National Board. The National President shall be empowered to act, speak for, or otherwise represent the Corporation between meetings of the National Board within the boundaries of policies and purposes established by the National Board and as set forth in the Articles and these Bylaws.

### Duties of the Secretary: The Secretary shall attend to the following:

#### Book of Minutes. The Secretary shall keep or cause to be kept, at the principal executive office or such other place as the National Board may direct, a book of minutes of all meetings and actions of directors and committees of directors, with the time and place of holding regular and special meetings, and if special, how authorized, the notice given, the names of those present at such meetings, and the proceedings of such meetings.

#### Notices and Other Duties. The Secretary shall give, or cause to be given, notice of all meetings of the National Board required by the Bylaws to be given. The Secretary shall perform all duties incident to the office of Secretary and as may be required by law, the Articles, these Bylaws, or which may be assigned to him or her from time to time by the National Board.

### Duties of the Chief Financial Officer: The Chief Financial Officer (“**CFO**”) shall be the financial officer of the Corporation and shall attend to the following:

#### Books of Account. The CFO shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, and other matters customarily included in financial statements. The books of account shall be open to inspection by any director at all reasonable times.

#### Deposits and Disbursements. The CFO shall deposit, or cause to deposit, all money and other valuables in the name and to the credit of the Corporation with such depositors as may be designated by the National Board; shall disburse, or cause to disburse, funds of the Corporation as may be ordered by the National Board; and shall render to the National President and directors, upon request, an account of all financial transactions and of the financial condition of the Corporation.

#### Other Duties. The CFO shall perform all duties incident to the office of CFO and such other duties as may be required by law, the Articles, these Bylaws, or which may be assigned to him or her from time to time by the National Board.

## COMPENSATION AND EXPENSES. Officers shall not receive any remuneration or compensation for their services as an officer. Expenses incurred in connection with performance of an officer's official duties may be reimbursed upon the approval of the National President.

# **COMMITTEES**

## COMMITTEES OF DIRECTORS. The National Board may, by resolution adopted by a majority vote of the National Board, designate one or more committees, which members may be directors or non-directors, to serve at the pleasure of the National Board. Any member of any committee may be removed, with or without cause, at any time by the National Board. Any committee, to the extent provided in the resolution of the National Board, shall have all or a portion of the authority of the National Board, except that no committee, regardless of the National Board’s resolution, may:

### Fill vacancies on the National Board or on any committee;

### Amend or repeal the Articles or Bylaws or adopt new Bylaws;

### Amend or repeal any resolution of the National Board;

### Designate any other committee of the National Board or appoint the members of any committee; or

### Approve any transaction (i) to which the Corporation is a party and as to which one or more directors has a material financial interest, or (ii) between the Corporation and one or more of its directors or between the Corporation and any corporation or firm in which one or more of its directors has a material financial interest.

## ADVISORY COMMITTEES. The National Board may establish one or more Advisory Committees to the National Board. The members of any Advisory Committee may consist of directors or non-directors. An Advisory Committee may not exercise the authority of the National Board to make decisions on behalf of the Corporation, but shall be limited to making recommendations to the National Board and to implementing the National Board’s decisions and policies. Any Advisory Committees shall be subject to the supervision and control of the National Board.

## AUDIT COMMITTEE. At all times that this Corporation is required by applicable law to have an independent audit, or at any time the Corporation voluntarily chooses to do so, the Corporation shall have an Audit Committee consisting of at least two directors and which may include non-director advisors. Directors who receive, directly or indirectly, any consulting, advisory, or other compensatory fees from the Corporation may not serve on the Audit Committee. The National President and CFO, if also directors, may serve on the Audit Committee only if such persons are volunteers and are not compensated by this Corporation. The Audit Committee shall perform the duties and adhere to the guidelines set forth from time to time by the National Board. These duties include, but are not limited to: (i) assisting the National Board in choosing an independent auditor and recommending termination of the auditor, if necessary, (ii) negotiating the auditor’s compensation, (iii) conferring with the auditor regarding the Corporation’s financial affairs, and (iv) reviewing and accepting or rejecting the audit. Members of the Audit Committee shall not receive compensation for their service on the Audit Committee in excess of that provided to directors for their service on the National Board. If the Corporation has a Finance Committee, a majority of the members of the Audit Committee may not concurrently serve as members of the Finance Committee, and the Chair of the Audit Committee may not serve on the Finance Committee.

## MEETING AND ACTION OF COMMITTEES. Meetings and action of committees shall be governed by, noticed, held and taken in accordance with the provisions of these Bylaws concerning meetings of the National Board, with such changes in the context of such Bylaw provisions as are necessary to substitute the committee and its members for the directors, except that the time for regular meetings of committees may be fixed by resolution of the National Board or by the committee. The time for special meetings of committees may also be fixed by the National Board. The National Board may also adopt rules and regulations pertaining to the conduct of meetings of committees to the extent that such rules and regulations are not inconsistent with the provisions of these Bylaws.

# **INDEMNIFICATION OF DIRECTORS AND OFFICERS**

## NON-LIABILITY OF DIRECTORS. The directors shall not be personally liable for the debts, liabilities, or other obligations of the Corporation.

## RIGHT TO INDEMNIFICATION. The Corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any action or proceeding by reason of the fact that such person is or was a director, officer or agent of this Corporation, or otherwise is a person described in Nonprofit Law Section 7237(a), including persons formerly occupying any such positions, or is or was serving at the request of this Corporation as a director, officer, employee, or agent of another foreign or domestic Corporation, partnership, joint venture, or other enterprise, against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with such proceeding, to the fullest extent permitted under the Nonprofit Law. “**Expenses**” shall have the same meaning as that term is defined in the Nonprofit Law.

## On written request to the National Board by any person seeking indemnification under Nonprofit Law Sections 7237(b) or 7237(c), the National Board shall promptly decide under Nonprofit Law Section 7237(e) whether the applicable standard of conduct set forth in Nonprofit Law Section 7237(b) or 7237(c) has been met and, if so, the National Board shall authorize indemnification. If the number of directors who are not parties to the proceeding is less than two-thirds of the total number of directors seated at the time the determination is to be made, the determination as to whether the applicable standard of conduct has been met shall be made by the court in which the proceeding is or was pending.

## The indemnification provided herein shall not be deemed exclusive of any other rights to which those indemnified may be entitled, and shall continue as to a person who has ceased to be an agent and shall inure to the benefit of the heirs, executors, and administrators of such a person.

## INSURANCE. The Corporation shall have the power and may purchase and maintain insurance on behalf of any director, officer or agent of the Corporation, against any liability asserted against or incurred by the director, officer or agent in any such capacity or arising out of the director’s, officer’s or agent’s status as such, whether or not the Corporation would have the power to indemnify the agent against such liability under Section 8.2 of these Bylaws; provided, however, that the Corporation shall have no power to purchase and maintain such insurance to indemnify any director, officer or agent of the Corporation for any self-dealing transaction, as described in Nonprofit Law Section 7233.

## **ARTICLE IX: CHAPTER ORGANIZATION AND GOVERNANCE**

## 9.1 CHAPTER ORGANIZATION. Local chapters of the Corporation shall be formed pursuant to the rules and regulations as may from time to time be developed by the National Board. Chapters are part of the same legal and financial entity of the Corporation. Chapters operate in alignment with the Corporation and may not stray from the purpose of the Corporation as outlined in Section 2.2. Chapters shall be designated as one of the following:

## (a) Active/In Good Standing: A chapter that is Active/In Good Standing, shall meet the following basic requirements by timely completion of the following items:

## (1) Timely election of required Officers as set forth below.

## (2) Conduct a minimum of four events each year.

## (3) Participation in monthly National Board conference calls by the chapter’s President or designated alternative. In the event neither the Chapter President nor the designated alternative is available to participate in a monthly National Board conference call, then the Chapter President shall sign off on the Minutes of the missed call acknowledging having read and approved the actions of the National Board.

## (4) Timely submission of quarterly (March, June, September and December) chapter reports including, without limitation, officer information, event information, and technical updates including user names and passwords of all chapter related services.

## (5) Timely submission of quarterly (January, April, July and October) chapter Profit and Loss statements and timely submission, in January of an annual Profit and Loss for the preceding fiscal year. In addition, each chapter shall, if requested by the National Board, provide the National Board with a projected annual budget for the chapter.

## (6) Maintain up-to-date information for the chapter on the Corporation’s website, including, without limitation, chapter welcome statement, current events information, officers’ names and contact information and newsletter.

## (7) Chapters maintaining an Active/In Good Standing status will receive a pro-rata share of Affiliate dues as determined by the National Board in its sole discretion, marketing of Chapter events on the Corporation’s website, and such other Chapter benefits as the National Board may, from time-to-time implement in its sole discretion.

(b) Active/Not in Good Standing: When a chapter does not meet the Chapter in Good Standing requirements, their status becomes Active/Not in Good Standing. The Chapter President will receive written Notice of Change in Chapter Status and Notice to Comply from the National President. The chapter will have 90 days from the date of the notice to come into complete compliance. If the chapter cannot comply within the 90 days, the Chapter President must contact the National President to discuss any hardship and request in writing, a specific extension date to comply. Extensions are granted at the discretion of the National Officers.

### Chapters that are Active/Not in Good Standing will receive their prorated share of the Affiliate dues and other chapter benefits only during the 90-day compliance period and any written extension, as long as the chapter is demonstrating the intention to comply and making progress to correct the stated deficiencies.

(c) Chapter in Reorganization: If a chapter fails to remedy the deficiencies it becomes a Chapter in Reorganization. The National President will notify the chapter of its status in writing and provide a list of tasks that must be completed in order to regain Chapter in Good Standing status.

If the chapter Affiliates wish to continue as a chapter, the National Board will assist the chapter Affiliates in an orderly chapter reorganization as long as the chapter demonstrates a sincere desire and willingness to act within the purpose of the Corporation and comply with the requirements of a Chapter in Good Standing. This includes:

1. Re-elect new officers and submit to the National Board for approval. Non-approved persons may not serve.
2. Create a reorganization plan. Provide the National President with a specific written plan of tasks to be completed to remedy non-compliance, which shall include among other things the party or parties responsible for each task and the dates for completion.
3. Draft a written communication to be sent to the chapter Affiliates regarding the chapter’s status and reorganization plan and submit to the National President. The National Board will review and either approve or edit the communication and send it to the chapter’s Affiliates.
4. Submit to the National President a list of Affiliates who wish to continue in the chapter.
5. Plan two chapter events and submit to the National Board for approval.
6. Adhere to the requirements of a Chapter in Good Standing outlined in this Section 9.1.

The National Board shall allow the chapter up to three months from the date that the chapter becomes a Chapter in Reorganization to begin functioning as a Chapter in Good Standing. Dues are held by the National Board when a chapter is in reorganization.

(d) Chapter in Dissolution: If the chapter cannot or does not wish to take the steps outlined above to restructure the chapter within the allotted time, the National Board will dissolve the chapter or establish a new chapter in the region under the guidance of the National Board. The chapter Affiliates will be given a written notice of dissolution. Dues are held by the National Board when a chapter is in dissolution. Affiliate dues will be returned to Affiliates upon request, prorated to the date of the written notice of dissolution.

(e) Chapter in Development: While a new chapter is in its founding stage, the chapter has the status of Chapter in Development. A Chapter in Development must gain Active/In Good Standing status within three months by accepting dues from Affiliates and meeting the requirements of a Chapter in Good Standing.

## 9.2 CHAPTER GOVERNANCE. Each chapter shall be governed by a Chapter President, Chapter Treasurer and Secretary. These three positions are required. In addition, a chapter may also include Vice President, which is optional. All chapter officers must have a current active membership in their designated chapter.

## (a) Chapter President (required): The Chapter President shall have the following duties and obligations:

## (1) Assure that the chapter is operating within these Bylaws.

## (2) Retain the status of the Chapter as Active/In Good Standing.

## (3) Oversee the initial formation of the chapter if a Chapter in Development.

## (4) Assure that Affiliates feel they belong to a well-run chapter, worth their time and dues, and that Affiliates are welcome and encouraged to participate in the chapter and its functions.

## (5) Oversee the development of the chapter including its growth, educational programs, and other programs to meet the standards of the Corporation.

## (6) Participate in monthly National Board conference calls and/or appoint an alternate to participate in the absence of the President and read monthly minutes.

## (7) Spearhead and guide the formation of annual chapter goals and strategic plans (including membership and chapter development), review and approve quarterly and annual Profit and Loss statements, review and approve annual chapter budget, ensure that all required reporting to the Corporation is being timely and accurately accomplished, communicate activities and plans of the Corporation to chapter officers and disseminated, as appropriate to Affiliates, communicate chapter activities to the Corporation in the monthly conference call and, as provided in these Bylaws, fill vacant Chapter Officer, Director and Committee Chair positions.

## Vice President (optional): If appointed/elected, the Vice President shall assist the Chapter President in overseeing and leading the chapter. The Vice President shall fill in for the Chapter President in his or her absence.

## Chapter Secretary (required): The Secretary shall keep or cause to be kept, at the principal executive office or such other place as the National Board may direct, a book of minutes of all meetings and actions of directors and committees of directors of the chapter, with the time and place of holding regular and special meetings, and if special, how authorized, the notice given, the names of those present at such meetings, and the proceedings of such meetings.

## Treasurer (required): The Treasurer shall have the following duties and obligations:

## Keep chapter financial records.

## Ensure the chapter is managing its money in a responsible manner and in the best way to fulfill the Corporation’s purpose.

## Manage chapter checking account once the chapter has been authorized to open a chapter bank account

## Submit quarterly and annual financial reports to the chapter and the CFO.

## Create the annual chapter budget and submit to the CFO.

## (e) Chapter Board of Directors (optional): Chapters may, at their own discretion, create a governing Board of Directors. The chapter board serves as advisors and resources to the chapter officers. Suggested members of the chapter board include former chapter officers, noteworthy members within the wine industry and community, and local community leaders. The following positions are recommended.

## (1) Program Director and/or Events Director

## (2) Membership Director

## (3) Marketing Director

## (4) Technology Director

## 9.3 NOMINATION AND ELECTION GUIDELINES

## Chapters in Development: A Chapter in Development should use a self-nomination process. Nominations must be submitted to the Chapter Development Director who will seek approval by the National Board. Once approved, the Affiliates involved in the forming of the chapter elect officers and directors of the chapter by a simple majority vote.

## Chapters with 20 Affiliates or Less:

## A call for nominations shall be sent to all Affiliates at least one month prior to the election. Self-nominations are allowed. Nominations are for a specific position on the board.

## A list of all nominations are sent to all Affiliates along with the deadline by which to vote. Voting may take place online, by in-person secret ballot, or any method that is impartial, confidential, and accessible by all chapter Affiliates.

## Only active Affiliates may vote.

## Chapters with More than 20 Affiliates:

## A call for nominations shall be sent to all Chapter Affiliates at least one month prior to the election. Self-nominations are allowed. Nominations are for a specific position on the board.

## A list of all nominations are sent to all current chapter board Affiliates along with the agenda for the board meeting at which elections will be held.

## The election is held at the board meeting as scheduled.

## Only active Affiliates of the board may vote.

## The current board is in place until after the adjournment of this meeting. The new board will be in place for the next meeting or the set effective date.

# **CONTRACTS AND OTHER INSTRUMENTS.**

## EXECUTION OF CONTRACTS AND OTHER INSTRUMENTS. The National Board may authorize any director, officer, or committee chair 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. Unless so authorized by the National Board, no director, officer, or committee chair shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or in any amount.

## CHECKS AND NOTES. Except as otherwise specifically determined by resolution of the National Board, or as otherwise required by applicable law, checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of the Corporation shall be signed by the CFO and countersigned by another designated officer of the Corporation if over $10,000.00.

# **RECORDS, REPORTS and Fiscal year**

## MAINTENANCE OF ARTICLES AND BYLAWS. The Corporation shall keep at its principal executive office the original or a copy of its Articles and Bylaws as amended to date.

## MAINTENANCE OF OTHER CORPORATE RECORDS. The accounting books, records, and minutes of the proceedings of the National Board and any committee(s) of the National Board shall be kept at such place or places designated by the National Board or, in the absence of such designation, at the principal executive office of the Corporation. The minutes shall be kept in written or typed form, and the accounting books and records shall be kept in either written or typed form or in any other form capable of being converted into written, typed, or printed form.

## INSPECTION BY DIRECTORS AND OFFICERS. Every director and officer shall have the absolute right at any reasonable time to inspect all books, records, and documents of every kind and the physical properties of the Corporation and each of its subsidiary corporations. This inspection by a director or officer may be made in person or by an agent or attorney, and the right of inspection includes the right to copy and make extracts of documents.

## ANNUAL REPORT. Within 120 days after the end of the Corporation’s fiscal year, the President shall furnish, or cause to be furnished, a written report to the National Board containing the information prescribed in the Nonprofit Law Section 8321.

## FISCAL YEAR. The fiscal year of the Corporation shall be January 1st to December 31st.

# **CONTRACTS AND LOANS WITH DIRECTORS AND OFFICERS**

## CONTRACTS WITH DIRECTORS AND OFFICERS. No director or officer of this Corporation, nor any other corporation, firm, association, or other entity in which one or more of this Corporation’s directors or officers are directors or have a material financial interest, shall be interested, directly or indirectly, in any contract or other transaction with this Corporation, if (i) the material facts regarding such director’s or officer’s financial interest in such contract or transaction and/or regarding such common directorship, officer-ship, or financial interest are fully disclosed in good faith or are known to all directors prior to consideration by the National Board of such contract or transaction; (ii) such contract or transaction is authorized in good faith by a majority vote of the National Board by a vote sufficient for that purpose without counting the vote or votes of such interested director(s); and (iii) the transaction is fair and reasonable to this Corporation at the time the transaction is authorized, approved or ratified.

## LOANS TO DIRECTORS AND OFFICERS. The Corporation shall not make any loan of money or property to or guarantee the obligation of any chapter, director or officer, unless the National Board determines that the loan or guaranty may reasonably be expected to benefit the Corporation and the transaction otherwise complies with Nonprofit Law Section 7236. Notwithstanding the preceding sentence, the Corporation may advance money to a chapter, director or officer of the Corporation for expenses reasonably anticipated to be incurred in the performance of the duties of such director or officer, provided that in the absence of such advance such director or officer would be entitled to be reimbursed for such expenses by the Corporation.

# **MISCELLANEOUS**

## CONSTRUCTION. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the Nonprofit Law shall govern the construction of these Bylaws. Without limiting the generality of the preceding sentence, the masculine gender includes the feminine and neuter, the singular includes the plural, the plural includes the singular, and the term “person” includes both a legal entity and a natural person.

## AMENDMENTS TO BYLAWS. These Bylaws may be adopted, amended, or repealed by a majority vote of the National Board.

## ELECTRONIC TRANSMISSION. Subject to any guidelines and procedures that the National Board may adopt from time to time, the terms “written” and “in writing” as used in these Bylaws include any form of recorded message in the English language capable of comprehension by ordinary visual means and may include electronic transmissions, such as facsimile or email, provided (i) for electronic transmissions to the Corporation, the Corporation has in effect reasonable measures to verify that the sender is the individual purporting to have sent such transmission; and (ii) the transmission creates a record that can be retained, retrieved, reviewed, and rendered into clearly legible tangible form.

## RESOLUTIONS. All matters not covered in these Bylaws, which deal with the operation, control, or direction of this Corporation may be accomplished by resolution duly passed at any meeting of the National Board.

## **CERTIFICATE OF ADOPTION OF BYLAWS**

I, Sheila A. Rasmussen, hereby certify that:

1. I am the Interim Secretary of Women for WineSense, a California nonprofit mutual benefit corporation; and
2. The foregoing Bylaws, consisting of 19 pages, are a true and correct copy of the Bylaws of the Corporation as duly adopted pursuant to the Action By the National Board of Directors of Women for WineSense, and ratified by the National Board of Directors on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

Dated as of (insert date)

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Sheila A. Rasmussen, Interim Secretary