



# Calpaca Bylaws

Approved and amended, November, 2002  
With Amendments approved November 2013

# **BYLAWS of the CALIFORNIA ALPACA BREEDERS ASSOCIATION (CALPACA)**

A California nonprofit mutual benefit corporation

## **ARTICLE 1 OFFICES**

*Section 1. Principal Office.* The address of the corporation's principal office is that of the current Association President as listed on the CALPACA website.

## **ARTICLE II. PURPOSE AND OBJECTIVES**

*Section 1. Purpose.* The purpose of the California Alpaca Breeders Association is to promote the well-being of Alpacas, address the concerns of Alpaca owners and encourage the spread of Alpaca ownership and the use of their fiber.

*Section 2. Objectives.* The objectives of the California Alpaca Breeders Association areas follows:

- (a) Educate Alpaca owners and the public on all aspects of Alpaca industry;
- (b) Join resources for. mutual benefit in group purchasing and promotional activities;
- (c) Develop a strong regional identity throughout North America;
- (d) Promote an atmosphere of mutual respect and regional pride;
- (e) Promote integrity, sincerity, honesty, and accuracy in all business dealings, avoiding activity that could discredit the Association;
- (f) Provide a network of support for new Alpaca owners; and
- (g) Conform to the standards of Section 501 (c) (5) of the Internal Revenue Code.

## **ARTICLE III. CONSTRUCTION AND DEFINITIONS**

Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California Nonprofit Corporation 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.

## **ARTICLE IV. MEMBERSHIP**

*Section 1. Qualifications of Membership.* Any person or organization dedicated to the purposes and objectives of the Association shall be eligible for membership on approval of the membership application by the board and on timely payment of such dues and fees as the board may fix from time to time.

*Section 2. Classes of Membership.* There shall be two classes of members: Farm Member and Associate Member. The Board may set different privileges for each class; Farm members shall have the right to vote, as set forth in Section 3 of this Article IV, for the election of directors, on a disposition of all or substantially all of the assets of the corporation, on a merger and on a dissolution. Members of each class shall also have all of the rights afforded members under the California Nonprofit Mutual Benefit Corporation Law.

Nothing in this Section 2 shall limit the right of the corporation to refer to persons or entities associated with it as "members" even though those persons or entities are neither Farm or Associate members as defined above, and no such reference shall constitute anyone being a member within the meaning of Section 5056 of the California Nonprofit Mutual Benefit Corporation Law or the foregoing provisions of this Section 2 unless that person or entity shall have qualified for membership as set forth above. The corporation may confer by amendment of its Articles or of these Bylaws some or all of the rights of a member only class, as set forth in this Article IV, upon any person or entity who does not have the right to vote on any of the matters set forth in the fifth paragraph of this Section 2 or for the selection of delegates who possess any such voting rights, but no such person or entity shall be a member within the meaning of Section 5056 of the California Nonprofit Mutual Benefit Corporation Law or this Section 2.

*Section 3. Voting Rights.* Subject to the provisions of Section 7612 of the California Nonprofit Mutual Benefit Corporation Law and Sections 6, 7 and 8 of this Article IV, each Farm Member shall be entitled to cast two (2) votes on each matter submitted to a vote of the members. Associate Members shall be non-voting.

*Section 4. Dues.* Annual dues shall be set by the Board and approved by the Membership.

*Section 5. Transfer of membership.* The Board may provide for the transfer of memberships, subject to such restrictions or limitations as the Board deems appropriate, including transfer upon the death, dissolution, merger, or reorganization of a member.

*Section 6. Termination of Membership.* Membership shall terminate upon the resignation of the member, for non-payment of annual dues, or for failing to abide by the purposes and objectives of the Association (as stated in Article II) or based on a good faith determination by the Board, of a committee of persons authorized by the Board to make such determination, that the member 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 prejudiced to the corporation's purposes and interests.

*Section 7. Suspension of Membership.* A member maybe suspended based on a good faith determination by the Board, or a committee of persons authorized by the Board to make such determination, that the member 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 prejudiced to the corporation's purposes and interests.

*Section 8. Good Standing.* Any member who shall fail to pay any monies due for more than thirty (30) days after their due date shall not be in good standing and shall not be entitled to vote as a member.

## **Article V. Meetings**

*Section 1. Place of Meetings.* Meetings of members shall be held either at the principal office of the corporation or at any other place within or without the State of California which may be designated either by the Board or by the written consent of all persons

entitled to vote at the meeting, given either before or after the meeting and filed with the Secretary.

*Section 2. Meetings of the Board of Directors.* Meetings of the Board of Directors will be held as provided in Article VII Directors. At these meetings, the Board shall transact such business as shall properly come before them and routine business of the Association shall be voted on. In any year in which directors are elected, the election shall be held at the annual meeting. Any other proper business may be transacted at that meeting.

*Section 3. General Membership Meetings.* Meetings will be held quarterly as scheduled by the Board.

*Section 4. Special Meetings.* Special meetings of members may be called for any lawful purpose at any time by a majority vote of the Board or by members holding twenty (20) percent of the voting rights of the Association. Upon request in writing to the Board, any member (other than the Board) entitled to call a special meeting of members, the officer forthwith shall cause notice to be given to the members entitled to vote that a meeting will be held at a time fixed by the Board, not less than 35 nor more than 90 days after the receipt of the request. If the notice is not given within 20 days after receipt of the request, the persons entitled to call the meeting may give the notice.

*Section 5 Notice of Meetings.* Written notice of, each quarterly ,or special meeting of members shall be given not less than 30 nor more than 90 days before the date of the meeting to each member entitled to notice of it. The notice shall state the place, date, and hour of the meeting and:

- (a) in the case of a special meeting, the general nature of the business to be transacted, and no other business may be transacted, or
- (b) in the case of the annual meeting, those matters which the Board, at the time notice is given, intends to present for action by the members, but, subject to the provisions of applicable law, any proper matter may be presented at the meeting for action by the members. Such notice shall describe the means of voting as provided in Section 7. Method of Voting and Section 8. Manner of Acting of this Article V. The notice of any meeting at which directors are to be elected shall include the names of all those who are nominees at the time the notice is sent to members.

Notice of a members' meeting shall be given either by regular mail, electronic transmission or by other means of written communication, addressed to a member at the address of the member appearing on the books of the corporation or given by the member to the corporation for the purpose of notice. Notice by mail shall be deemed to have been given at the time a written notice is deposited in the United States mails, postage prepaid. Any other written notice shall be deemed to have been given at the time it is personally delivered to the recipient or is delivered to a common carrier for transmission; or actually transmitted by the person giving the notice by electronic means, such as facsimile telecommunication, electronic mail, or any other form of electronic transmission to the recipient. If any notice or report addressed to the member at the address of the member appearing on the books of the corporation is returned to the corporation by the United States Postal Service marked to indicate that the United States Postal Service is unable to deliver the notice or report to the member at the

address, all future notices or reports shall be deemed to have been duly given without further mailing if the notice or report shall be available for the member upon written demand at the principal office of the corporation for a period of one year from the date of the giving of the notice or report to all other members. If any electronic communication is returned undeliverable, then notice shall be given to those members via regular mail as stated above.

*Section 6. Quorum.* In order for the Members to transact business by vote, a quorum must be present in person or by voting as provided by the Board of Directors. A majority of the members present or represented by proxy or vote shall constitute a quorum. If a quorum is present, the Board member(s) present may adjourn the meeting to a specific time without further notice. The members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the members present. A vote is considered cast if the voter has voted for, against, or abstained from the matter.

*Section 7. Method of Voting.* The Board of Directors shall set the procedure for votes of the Members, which means votes may be by mail, internet or other electronic technology or in-person at the meeting. As provided in Section 5. Notice of Meetings, the method of voting shall be set forth in the Notice of Meeting provided to voting Members.

Matters requiring a vote of the full membership shall include elections, Bylaw Amendments, annual budget and other business as determined by the Board of Directors. Such votes shall be by ballot or other means not requiring the member to be present.

Routine business matters such as approval of the previous Membership Meeting Minutes, acceptance of officer and committee reports, and adjournment, shall not require a ballot and may be voted on solely by members in attendance and proxy. Ballots must be received by the date set forth in the notice and proxy votes must be received by the date of the Membership Meeting.

*Section 8. Manner of Acting.* If a quorum is present, a majority of the votes cast on a matter shall be necessary for the adoption of the matter being voted on unless a greater proportion is required by law or the Bylaws. If a matter on the agenda of the Membership Meeting is submitted to members, and a provision is made for voting by mail, internet or other means not requiring the Member to be present in person, a member may vote by proxy or by mail to the Secretary or other designated person or as otherwise provided in the voting instructions. No mail vote shall be counted unless postmarked by the date set by the Board of Directors, which date shall be indicated in the voting instructions, and received by the Board of Directors prior to the Membership Meeting.

*Section 9. Adjourned Meetings and Notice Thereof.*

Any members' meeting, whether or not a quorum is present, may be adjourned from time to time by the vote of a majority of the votes, represented at the meeting either in

person or by proxy, but in the absence of a quorum (except as provided in Section 6. Quorum of this Article V) no other business may be transacted at the meeting. No meeting may be adjourned for more than 45 days.

It shall not be necessary to give any notice of the time and place of the adjourned meeting or of the business to be transacted at it, other than by announcement at the meeting at which the adjournment is taken; provided, however, that if after adjournment a new record date is fixed for notice or voting, a notice of the adjourned meeting shall be given to each member who, on the record date for notice of the meeting, is entitled to vote at the meeting, as in the case of the meeting as originally called.

*Section 10. Conduct of Meeting.*

The President shall be the Presiding Officer at all meetings of the members. The Presiding Officer shall conduct each meeting in a businesslike and fair manner, but shall not be obligated to follow any technical, formal, or parliamentary rules or principles of procedure. The Presiding Officer's rulings on procedural matters shall be conclusive and binding on all members, unless at the time of a ruling a request for a vote is made to the members entitled to vote and which are represented in person or by proxy at the meeting, in which case the decision of a majority of the voting power represented at the meeting shall be conclusive and binding on all members. Without limiting the generality of the foregoing; the Presiding Officer shall have all of the powers usually vested in the chair of a meeting of members.

## **Article VI. Voting**

*Section 1. Voting Rights.* The members entitled to notice of any meeting or to vote at any meeting shall be only persons in whose name memberships stand on the records of the corporation on the record date for notice determined in accordance with Section 2 of this Article VI.

Subject to the following sentence and to the provisions of Section 7615 of the California Nonprofit Mutual Benefit Corporation Law, every member entitled to vote at any election of directors may cumulate such member's votes and give one candidate a number of votes equal to the number of directors to be elected multiplied by the number of votes to which the member is normally entitled, or distribute the member's votes on the same principle among as many candidates as the member thinks fit. No member shall be entitled to cumulate votes for a candidate or candidates pursuant to the preceding sentence unless the 'candidate's name or candidates' names have been placed in nomination prior to the voting and the member has given notice at the meeting prior to the voting of the member's intention to cumulate the member's votes. If anyone member has given such notice, all members may cumulate their votes for candidates in nomination.

In any election of directors, the candidates receiving the highest number of votes are elected, up to the number of directors to be elected. If a membership stands of record in the names of two or more persons; whether fiduciaries, members of a partnership, joint tenants, tenants in common, husband and wife as community property, tenants by the entirety, voting trustees, persons entitled to vote under a voting agreement or otherwise, or if two or more persons (including proxy holders) have the same fiduciary relationship respecting the same membership, unless the Secretary of the corporation is

given written notice to the contrary and is furnished with a copy of the instrument or order appointing them or creating the relationship wherein it is so provided, their acts with respect to voting shall have the following effect:

- (a) If only one votes, such act binds all; or
- (b) If more than one vote, the act of the majority so voting binds all.

Voting shall in all cases be subject to the provisions of Chapter 6 of the California Nonprofit Mutual Benefit Corporation Law.

*Section 2 Record Date.* The Board may fix, in advance, a record date for the determination of the members entitled to notice of any meeting of members or entitled to exercise any rights in respect of any lawful action. The record date so fixed shall be not more than 60 days or less than 10 days prior to the date of the meeting or more than 60 days prior to any other action. When a record date is so fixed, only members of record on that date are entitled to notice, to vote, or to exercise the rights for which the record date was fixed. A determination of members of record entitled to notice of a meeting of members shall apply to any adjournment of the meeting unless the Board fixes a new record date for the adjourned meeting.

If no record date is fixed by the Board, the record date for determining members entitled to notice of a meeting of members shall be at the close of business on the business day next preceding the day on which notice is given or, if notice is waived, at the close of business on the business day next preceding the day on which the meeting is held. If no record date is fixed by the Board, members on the day of the meeting who are otherwise eligible to vote are entitled to vote at the meeting of members or, in case of an adjourned meeting, members on the day of the adjourned meeting who are otherwise eligible to vote are entitled to vote at the adjourned meeting of members: The record date for determining members for any purpose other than set forth in this Section 2 of this Article VI shall be at the close of business on the day on which the Board adopts the resolution relating thereto, or the sixtieth day prior to the date of such other action, whichever is later. .

*Section 3. Consent of Absentees.* The transactions of any meeting of members, however called and noticed, and wherever held, are as valid as though had at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy, and if, either before or after the meeting, each of the persons entitled to vote who was not present in person or by proxy, signs a written waiver of notice or a consent to the holding of the meeting or an approval of the minutes of the meeting. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Attendance of a person at a meeting shall constitute a waiver of notice of and presence at the meeting, except when the person objects at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened and except that attendance at a meeting is not a waiver of any right to object to the consideration of matters required by the California Nonprofit Mutual Benefit Corporation Law to be included in the notice but not so included, if the objection is expressly made at the meeting. Neither the business to be transacted at nor the purpose of any regular or special meeting of members need be specified in any written waiver of notice, consent to the holding of the meeting, or approval of the

minutes of the meeting, except as provided in Section 751 I (f) of the California Nonprofit Mutual Benefit Corporation Law.

*Section 4. Action Without Meeting.* Subject to Section 7513 of the California Nonprofit Mutual Benefit Corporation law, any action except election of directors which, under any provision of the California Nonprofit Mutual Benefit Corporation law, may be taken at any regular or special meeting of members, may be taken without a meeting if the written ballot of every member is solicited, if the required number of signed approvals in writing, setting forth the action so taken, is received; and if the number of ballots cast within the time period specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. Unless a record date for voting purposes be fixed as provided in Section 2 of this Article VI, the record date for determining members entitled to cast written ballots pursuant to this Section 4, when no prior action by the Board has been taken, shall be the day on which the first written ballot is mailed or solicited, whichever is first.

Alternatively, any action required or permitted to be taken by the members may be taken without a meeting, if all members individually or collectively consent in writing to the action. The written consent or consents shall be filed with the minutes of the proceedings of the members.

*Section 5. Proxies.* Every person entitled to vote as a member has the right to do so either in person or by one or more persons authorized by a written proxy executed by the member and filed with the Secretary. Any proxy duly executed is not revoked and continues in full force and effect in accordance with its terms until revoked by the person executing it prior to the vote pursuant thereto. Revocation of a proxy may be affected either:

- (a) By a writing; delivered to the Secretary of the corporation stating that the proxy is revoked,
- (b) By a subsequent proxy executed by the person executing the prior proxy and presented to the meeting, or
- (c) as to any meeting, by attendance at the meeting and voting in person by the person executing the proxy; provided, however, that no proxy shall be valid after the expiration of 11 months from the date of its execution unless otherwise provided in the proxy, except that the maximum term of any proxy shall be three years from the date of execution.

*Section 6. Elections of Board of Directors.*

6.1 **Nomination Committee.** The Board of Directors and President shall provide for the appointment, at least six (6) months before the Annual Meeting, of three (3) Voting Members, none of whom shall be a Director, to constitute a Nomination Committee. The Committee shall actively recruit and nominate candidates for election as Directors for the ensuing terms. The Nomination Committee shall recruit and nominate at least two (2) candidates for each vacancy of the Board.



6.2 Nomination by Petition. Members may nominate one or more candidates for Director(s) by delivering a petition signed by fifteen (15) Voting Members to the Nomination Committee not less than 100 days prior to the Annual Meeting.

6.3 Qualifications, Statement of Candidacy. All nominees must be Farm Members in good standing of the Association. Nominations shall be closed not later than two (2) months before the first day of the Annual Meeting. The Nomination Committee may request that the nominees individually submit a statement on behalf of their candidacy no later than six (6) weeks before the first day of the Annual Meeting. The form of the statement and its distribution to the Membership shall be established by the Nomination Committee, which shall decide any question of compliance with standards that the committee may establish with respect to such form.

6.4. Inspectors of Election. The Board of Directors shall appoint Independent Inspector(s) of Elections. The Inspector(s) of Elections shall be a Farm Member (s) of the Association in good standing and not an Officer, Board Member, or Candidate. The powers and duties of the inspectors shall be as prescribed by Section 7614(b) of the California Nonprofit Mutual Benefit Corporation law and shall include: supervising the election, determining the number of memberships outstanding and the voting power of each; the number represented at the meeting, determining the existence of a quorum; determining the authenticity, validity, and effect of proxies; receiving votes, ballots, or consents; hearing and determining all challenges and questions in any way arising in connection with the right to vote; counting and tabulating all votes or consents; determining when the polls shall close; determining the results; report in writing to the Membership and the Board of Directors the names of those elected; and doing such acts as may be proper to conduct the election or vote with fairness to all members. The candidates may request and receive the number of votes received by each candidate. Each candidate may designate an observer to be present during the vote count. Ballots and the tabulation results shall not be destroyed for at least two (2) years after an election.

6.5 Ballot. At least four (4) weeks before the Annual Meeting, a ballot containing the names of the nominees shall be mailed or otherwise made available to the Voting Members electronically. The ballot may be accompanied by the statement of each nominee in a form approved by the Nomination Committee.

6.6 Voting Procedure. Each Member shall vote by completing the ballot in the manner described on the notice of the ballot. No ballot by mail shall be counted unless postmarked by the date set by the Inspector(s) of the Elections, which date will be indicated on the ballot. No ballot cast by electronic means shall be counted unless submitted by the date set by the Inspector(s) of Elections, which date will be indicated on the ballot. Procedures for balloting by mail, internet or other electronic means shall be established to assure the secrecy of each Member's vote.

6.7 Election. The Inspector(s) of Elections or the President may complete the election and announce the results as soon as practicable after the election but prior to the conclusion of the Annual Meeting.

## **ARTICLE VII. DIRECTORS**

*Section 1. Powers.* Subject to limitations of the Articles, of these Bylaws, and of the California Nonprofit Mutual Benefit Corporation law relating to action required to be approved by the members or by a majority of members, the activities and affairs of the Association shall be conducted and all corporate powers shall be exercised by or under the direction of the Board of Directors. The Board shall recommend policy and present such recommendations to the membership for a vote. The Board shall have the power, by a majority vote, to make binding decisions on behalf of the membership. The Board may delegate the management of the activities of the corporation to any person (s), a management company, or committees however composed, provided that the activities and affairs of the corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board. Without prejudice to these general powers, but subject to the same provisions, it is hereby expressly declared that the Board shall have the following powers in addition to the other powers enumerated in these Bylaws:

- (a) To select and remove all the other officers, agents, and employees of the corporation, prescribe qualifications, powers, and duties for them as may not be inconsistent with law, the Articles, or these Bylaws, fix their compensation, and require from them security for faithful service.
- (b) To conduct; manage and control the affairs and activities of the corporation and to make rules and regulations therefore not inconsistent with law, the Articles, or these Bylaws, as they may deem best.
- (c) To adopt and use a corporate seal, to prescribe the forms of certificates of membership, and to alter their forms from time to time as the Board may deem best.
- (d) To authorize the issuance of memberships of the corporation from time to time, upon such terms and for such consideration as may be lawful .
- (e) To borrow money and incur indebtedness for the purposes of the corporation, and to cause to be executed and delivered therefore, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, or other evidences of debt and securities for debt. However, the Board may not incur indebtedness for the corporation in excess of Ten Thousand and 00/100Dollars (\$10,000.00) in the aggregate, during any calendar year, without first obtaining approval of a majority of the members.
- (f) To carry on a business at a profit and apply any profit that results from the business activity to any activity in which it may lawfully engage.

*Section 2. Number of Directors.* The authorized number of directors shall be not less than three (3) nor more than five (5) until changed by amendment of the Articles or by Bylaw duly adopted by approval of the members.

*Section 3. Election and Term of Office.* The directors shall serve a term of two years. In the event the Board is comprised of three (3) directors the election of two (2) directors will take place in even numbered years, and the remaining director will be elected in odd numbered years. In the event the Board is comprised of five (5) directors the election of three (3) directors will take place in even numbered years, and the remaining two directors will be elected in odd numbered years. All expired terms shall be filled by election at the fourth meeting of the year. Each director will be allowed to serve for two

(2) consecutive terms. At the expiration of the directors second consecutive term the director will not be allowed to stand for election to the Board for a period of one (1) year.

*Section 4. Vacancies.* Any director may resign effective upon giving written notice to the Chairperson. If the resignation is effective at a future time, a successor may be elected before such time to take office when the resignation becomes effective. Vacancies in the Board, except those existing as a result of a removal of a director, maybe filled by approval of the Board, or, if the number of directors then in office is less than a quorum, by the unanimous consent of the directors then in office, the affirmative vote of a majority of directors then in office at a meeting held pursuant to notice or waivers of notice; or by a sole remaining director. Each director so elected shall hold office until the expiration of the term of the replaced director and until a successor has been elected and qualified.

The Board shall appoint a member in good standing to fill that vacancy for the balance of the vacated term. A vacancy or vacancies of the Board shall be deemed to exist in case of the death, resignation, or removal of any director, or if the authorized number of directors is increased, or if the members fail, at any regular or special meeting of members at which any director or directors are elected, to elect the full authorized number of directors to be voted for at that meeting. The Board may declare vacant the office of a director who has been declared of unsound mind by a final order of court, convicted of a felony, or been found by a final order or judgment of any court to have breached any duty arising under Section 7238 of the California Nonprofit Mutual Benefit Corporation Law.

The members may elect a director or directors at any time to fill any vacancy or vacancies not filled by the directors. No reduction of the authorized number of directors shall have the effect of removing any director before expiration of the director's terms of office.

*Section 5. Recall of Director.* A Director may be removed from office by a recall election, with or without cause. Removal from office requires a 2/3 affirmative vote of all members entitled to vote. A petition to recall a Director must be filed with the Board's Secretary at least 60 days before a meeting.

*Section 6. Place of Meeting.* Regular or special meetings of the Board shall be held at any place within or without the State of California which has been designated from time to time by the Board. In the absence of designation by the Board, regular meetings shall be held at the principal office of the corporation.

*Section 7. Regular Meetings.* The Board of Directors shall have twelve (12) regular monthly meetings annually at such times as the Board may establish at or before the first meeting of each calendar year.

*Section 8. Special Meetings.* Special meetings of the Board for any purpose or purposes may be called at any time by three (3) Directors or by the President. The Directors calling the meeting shall fix the time, place, and date of the meeting. Special meetings of the Board shall be held upon seven (7) days' notice by telephone, electronic transmission, or by written notice, not later than 15 days before the day of the

meeting. Any such notice that is mailed shall be addressed or delivered to each director postage prepaid at the director's address as shown on the records of the corporation or as may have been given to the corporation by the director for purposes of notice or, if the director's address is not shown on the corporation's records or is not readily ascertainable, at the place where the meetings of the directors are regularly held.

Notice by mail shall be deemed to have been given at the time a written notice is deposited in the United States mails, postage prepaid. Any other written notice shall be deemed to have been given at the time it is personally delivered to the recipient or is delivered to a common carrier for transmission, or actually transmitted by the person giving the notice by electronic means such as facsimile telecommunication, electronic mail, or any other form of electronic transmission, to the recipient. Oral notice shall be deemed to have been given at the time it is communicated, in person or by telephone or wireless, to the recipient or to a person at the office of the recipient who the person giving the notice has reason to believe will promptly communicate it to the recipient. Board members may waive notice if such waiver is signed by all members.

*Section 9. Quorum.* A majority of the directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. Every decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board, unless a greater number is required by law or by the Articles, except as provided in the next sentence. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for such meeting.

*Section 10. Participation in Meetings by Conference Telephone.* Members of the Board may participate in a directors' meeting through use of telephone, video, electronic or similar conferencing equipment, so long as all directors participating in the meeting can hear one another. Board meetings may not be conducted through use of electronic mail except that the Board may vote on a matter brought before it via electronic mail so long as the vote is unanimous.

*Section 11. Waiver of Notice.* Notice of a meeting need not be given to any director who signs a waiver of notice or a written consent to holding the meeting or an approval of the minutes of the meeting, whether before or after the meeting, or who attends the meeting without protesting, prior before or at its commencement, the lack of notice to that director. All the waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

*Section 12. Adjournment.* A majority of the directors present, whether or not a quorum is present, may adjourn any directors' meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given to absent directors if the time and place be fixed at the meeting adjourned, except as provided in the next sentence. If the meeting is adjourned for more than 48 hours, notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the directors who were not present at the time of the adjournment.

*Section 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 shall individually or

collectively consent to the action. The consent or consents shall have the same effect as a unanimous vote of the Board and shall be filed with the minutes of the proceedings of the Board.

*Section 14 Rights of Inspection.* Every director shall have the absolute right at any reasonable time to inspect and copy all books, records, and documents of every kind and to inspect the physical properties of the corporation.

*Section 15. Committees.* The Board may establish committees which shall have and exercise the authority as specified by the Board of Directors. The President of the Association shall appoint committee members with the approval of the Board. Any committee member may be removed by the President in the best interest of the Association. Committees may have delegated any of the authority of the Board except with respect to:

- (a) The approval of any action for which the California Nonprofit Mutual Benefit Corporation Law also requires approval of the members or approval of a majority of all members;
- (b) The filling of vacancies on the Board or on any committee;
- (c) The fixing of compensation of the directors for serving on the Board or on any committee;
- (d) The amendment or repeal of bylaws or the adoption of new bylaws;
- (e) The amendment or repeal of any resolution of the Board which by its express terms is not so amendable or repealable;
- (f) The appointment of other committees of the Board or the members of other Committees;
- (g) The expenditure of corporate funds to support a nominee for director after there are more people nominated for director than can be elected; or
- (h) With respect to any assets held in charitable trust, the approval of any self dealing transaction as defined in Section 5233 (a) of the California Corporations Code except as provided in Section 5233 (d) (3).

Any committee to which any authority of the Board is delegated may only be created, and its members appointed, by resolution adopted by a majority of the authorized number of directors then in office, provided a quorum is present. Any such committee maybe designated an Executive Committee or given another name as the Board shall specify. The Board may appoint, in the same manner, alternate members of any committee who may replace any absent member at any meeting of the committee. The Board shall have the power to prescribe the manner in which proceedings of these committees shall be conducted. In the absence of prescription by the Board, a committee shall have the power to prescribe the manner in which its proceedings shall be conducted. Unless the Board or a committee shall otherwise provide, the regular and special meetings and other actions of that committee shall be governed by the provisions of this Article IV applicable to meeting and actions of the Board. Minutes shall be kept of each meeting of each committee.

*Section 16. Fees and Compensation.* Directors and members of committees may receive such compensation, if any, for their services, and such reimbursement for expenses, as may be fixed or determined by the Board.

## **ARTICLE VIII. OFFICERS**

*Section 1. Officers.* The officers of the Association, who must be Board members, shall be a President, a Vice President, a Secretary, and a Treasurer. Any number of offices may be held by the same person unless the Articles or these Bylaws provide otherwise.

*Section 2. Election.* Each officer of the corporation, except officers elected or appointed in accordance with the provisions of Section 3 or Section 5 of this Article VIII, shall be chosen annually by, and shall serve at the pleasure of, the Board, and shall hold office until resignation, removal, or other disqualification from service, or until his or her successors shall be elected.

*Section 3. Subordinate Officers.* The Board may elect, and may empower the President to appoint, such other officers as the business of the corporation may require. Each such officer shall hold office for the period, have authority, and perform duties as provided in these Bylaws or as the Board may from time to time determine.

*Section 4. Removal and Resignation.* Any officer may be removed, either with or without cause, by the Board at any time or, except in the case of an officer chosen by the Board, by any officer upon whom such power of removal may be conferred by the Board. Any removal of an officer shall be without prejudice to his or her rights, if any, under any contract of employment. Any officer may resign at any time by giving written notice to the corporation addressed and sent to the Board, the President, or the Secretary, but without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party. Any officer's resignation shall take effect on the date the resignation is received by the addressee or at any later time specified in the resignation and, unless otherwise specified in the resignation, the acceptance of the resignation shall not be necessary to make it effective.

*Section 5. Vacancies.* A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these Bylaws for regular election or appointment to that office, provided that vacancies shall be filled as they occur and not on an annual basis.

*Section 6. President.* The President shall be the principal executive officer of the Association and shall, in general, supervise and direct all of the business and affairs of the Association. The President is authorized to sign checks on CALPACA's behalf. The President shall preside at all meetings of the members and at all meetings of the Board. The President has the general powers and duties of management usually vested in the office of president and general manager of a corporation and other powers and duties prescribed by the Board.

*Section 7. Vice President.* In the absence or disability of the President, the Vice President shall perform all the duties of the President and, when so acting, shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice President shall have other powers and perform other duties as prescribed for them by the Board.

*Section 8. Secretary.* The Secretary shall keep or cause to be kept, at the principal office or other place ordered by the Board, a book of minutes of all meetings of members and the Board of Directors. These minutes shall include the time and place of

holding, whether regular or special, and if special, how authorized, the notice given of the meeting, the names of those present at Board and committee meetings, the number of members present or represented at members' meetings, and the proceedings of the meetings. The Secretary shall keep, or cause to be kept, at the principal office in the State of California the original or a copy of the Association's Articles and Bylaws, as amended to date

The Secretary shall give, or cause to be given, notice of all meetings of the members and of the Board and any committees of the Board required by these Bylaws or by law to be given, shall keep the seal of the Association in safe custody, and shall have other powers and perform other duties as prescribed by the Board.

*Section 9. Treasurer.* The Treasurer is the chief financial officer of the Association and shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business or financial transactions of the Association, and shall send or cause to be sent to the members of the Association quarterly financial statements and a full and comprehensive annual report and proposed budget at the first meeting of the year. The books of account shall at all times be open to inspection by any director. The Treasurer shall deposit all moneys and other valuables in the name and to the credit of the Association with depositories designated by the Board. The Treasurer shall disburse the funds of the Association as ordered by the Board, shall render to the President and the directors, whenever they request it, an account of all transactions as Treasurer and of the financial condition of the Association, and shall have other powers and perform other duties prescribed by the Board. The Treasurer is authorized to sign checks on CALPACA's behalf.

## **ARTICLE IX. OTHER PROVISIONS**

*Section 1. Inspection of Corporate Records.* The Association shall keep books and records of account and shall also keep minutes of proceedings of its members and the Board of Directors. All books and records of the Association maybe inspected by any member, or their agent, for any purposes at any reasonable time.

Subject to Sections 8330, 8331, and 8332 of the California Nonprofit Mutual Benefit Association Law, a member may do either or both of the following for a purpose reasonably related to the member's interest as a member:

- (a) Inspect and copy the record of all the members' names, addresses, and voting rights, at reasonable times, upon five business days' prior written demand upon the Association, which demand shall state the purpose for which the inspection rights are requested; or
- (b) Obtain from the Secretary of the Association, upon written demand and tender of a reasonable charge, a list of the names, addresses, and voting rights of those members entitled to vote for the election of directors, as of the most recent record date for which it has been compiled or as of a date specified by the member subsequent to the date of demand.

The demand shall state the purpose for which the list is requested. The Secretary shall make the membership list available on or before the later of 10 business days after the demand is received or after the date specified therein as the date as of which the list is

to be compiled. The Association may, within 10 business days after receiving a demand, as set forth above in paragraph (a) or (b) of this Section 1, deliver, to the person (s) making the demand a written offer of an alternative method of achieving the purpose identified in the demand without providing access to or a copy of the membership list. Any rejection of the Association's offer shall be in writing and shall indicate the reasons the alternative proposed by the Association does not meet the proper purpose of the demand made pursuant to paragraph (a) or (b) of this Section 1. The accounting books and records and minutes of proceedings of the members and the Board and committees of the Board shall be open to inspection upon written demand on the Association of any member at any reasonable time for a purpose reasonably related to the member's interests as a member. .

*Section 2. Inspection of Articles and Bylaws.* The Association shall keep in its principal office in the State of California the original or a copy of its Articles and of these Bylaws as amended to date, which shall be open to inspection by members' at all reasonable times during office hours. If the Association has no office in the State of California, it shall upon the written request of any member furnish to that member a copy of the Articles or Bylaws as amended to date.

*Section 3. Endorsement of Documents Contracts.* Subject to the provisions of applicable law, any note, mortgage, evidence of indebtedness, contract, conveyance, or other instrument in writing and any assignment or endorsement thereof executed or entered into between the Association and any other person, when signed by anyone of the Chairman of the Board, the President or any Vice President, and by anyone of the Secretary, any Assistant Secretary, the Treasurer or any Assistant Treasurer of the Association shall be valid and binding on the Association in the absence of actual knowledge on the part of the other person that the signing officers had no authority to execute the same. Any such instruments may be signed by any other person or persons and in the manner from time to time determined by the Board. Unless so authorized by the Board, no officer, agent, or employee shall have any power or authority to bind the Association by any contract or engagement or to pledge its credit or to render it liable for any purpose or amount.

*Section 4. Representation of Shares of Other Associations.* The President or any other officer or officers authorized by the Board or the President are each authorized to vote, represent, and exercise on behalf of the Association all rights incident to any and all shares of any other Association or Associations standing in the name of the Association. The authority granted in this Section may be exercised either by any such officer in person or by any other person authorized so to do by proxy or power of attorney duly executed by that officer.

*Section 5. Construction and Definitions.* Unless the context otherwise requires, the general provisions, rules of construction, and definitions contained in the General Provisions of the California Nonprofit Association Law and in the California Nonprofit Mutual Benefit Association Law shall govern the construction of these Bylaws.

*Section 6. Amendments.* These Bylaws may be amended or repealed by approval of a majority of the voting members or by approval of the Board; provided, however, that members must approve any action that would:



- (a) Materially and adversely affect the rights of members as to voting, dissolution, or redemption, or transfer of memberships;
- (b) Increase or decrease the number of memberships authorized in total or for any class;
- (c) Affect an exchange, reclassification, or cancellation of all or any part of the memberships;
- (d) Authorize a new class of membership; or
- (e) Specify or change a fixed number of directors or the maximum or minimum number of directors or change from a fixed to a variable number of directors or vice versa.

The power of members to approve the repeal or amendment of Bylaws is subject to the further approval of the members of a class if that action would:

- (a) Materially and adversely affect the rights, privilege, preferences, restrictions, or conditions of that class to voting, dissolution, redemption, or transfer of memberships in a manner different than that action affects another class;
- (b) Materially and adversely affect that class as to voting, dissolution, redemption, or transfer of memberships by changing the rights, privileges, preferences, restrictions, or conditions of another class;
- (c) Increase or decrease the number of memberships authorized for that class;
- (d) Increase the number of memberships authorized for another class;
- (e) Effect an exchange, reclassification, or cancellation of all or part of the memberships of that class; or
- (f) Authorize a new class of memberships.

## **ARTICLE X. INDEMNIFICATION**

*Section 1. Definitions.* The Association shall have the power to indemnify any Director, officer, employee, or agent of the Association for any reasonable expense he/she incurs in connection with any action or proceeding, civil or criminal, so long as the Board determines that person acted in good faith and in a manner reasonably believed to be in the best interest of the Association. For the purposes of this Article X, "agent" means any person who is or was a director, officer, employee, or other agent of the Association, or is or was serving at the request of the Association as a director, officer, employee, or agent of another foreign or domestic Association, partnership, joint venture; trust, or other enterprise, or was a director, officer, employee, or agent of a foreign or domestic Association which was a predecessor Association of the Association or of another enterprise at the request of that predecessor Association; "proceeding" means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and "expenses" includes without limitation attorneys' fees and any expenses of establishing a right to indemnification under Section 4 or 5 (c) of this Article X.

*Section 2. Indemnification in Actions by Third Parties.* The Association shall have power to indemnify any person who was or is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of the Association to procure a judgment in its favor, an action brought under Section 5233 of the California Nonprofit Public Benefit Association Law, or an action brought by the Attorney General or a person granted realtor status by the Attorney General for any breach of duty relating to assets held in charitable trust) by reason of the fact that person is or was an agent of

the Association, against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with such proceeding if the person acted in good faith and in a manner the person reasonably believed to be in the best interests of the Association and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of such person was unlawful. The termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interests of the Association or that the person had reasonable cause to believe that the person's conduct was unlawful.

*Section 3. Indemnification in Actions by or in the Right of the Association.* The Association shall have the power to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action by or in the right of the Association, or brought under Section 5233 of the California Nonprofit Public Benefit Corporation Law or brought by the Attorney General or a person granted relator status by the Attorney General for breach of duty relating to assets held in charitable trust, to procure a judgment in its favor by reason of the fact that person is or was an agent of the Association, against expenses actually and reasonably incurred by such person in connection with the defense or settlement of such action if the person acted in good faith, in a manner the person believed to be in the best interests of the Association and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances. No indemnification shall be made under this Section 3:

- (a) In respect of any claim, issue, or matter as to which the person shall have been adjudged to be liable to the Association in the performance; of the person's duty to the Association, unless and only to the extent that the court in which such proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnity for the expenses which the court shall determine;
- (b) Of amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval; or
- (c) Of expenses incurred in defending a threatened or pending action that is settled or otherwise disposed of without court approval" unless the action concerns assets held in charitable trust and is settled with the approval of the Attorney

*Section 4. Indemnification Against Expenses.* To the extent that an agent of the Association has been successful on the merits in defense of any proceeding referred to in Section 2 or 3 of this Article X or in defense of any claim, issue, or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith.

*Section 5. Required Determinations.* Except as provided in Section 4 of this Article X, any indemnification under this Article X shall be made by the Association only if authorized in the specific case, upon a determination that indemnification of the agent is proper in the circumstances because the agent has met the applicable standard of conduct set forth in Section 2 or 3 of this Article X, by:

- (a) A majority vote of a quorum consisting of directors who are not parties to the proceeding;
- (b) Approval of the members, with the persons to be indemnified not being entitled to vote thereon; or
- (c) The court in which the proceeding is or was pending upon application made by the Association or the agent or the attorney or other person rendering services in connection with the defense, whether or not the application by the agent, attorney, or other person is opposed by the Association.

*Section 6. Advance of Expenses.* Expenses incurred in defending any proceeding maybe advanced by the Association before the final disposition of the proceeding upon receipt of an undertaking by or on behalf of the agent to repay the amount advanced unless it shall be determined ultimately that the agent is entitled to be indemnified as authorized in this Article X.

*Section 7. Other Indemnification.* No provision made by the Association to indemnify its or its subsidiary's directors or officers for the defense of any proceeding, whether contained in the Articles, Bylaws, a resolution of members or directors, an agreement, or otherwise, shall be valid unless consistent with this Article X. Nothing contained in this Article X shall affect any right to indemnification to which persons other than those directors and officers may be entitled by contract or otherwise.

*Section 8. Forms of Indemnification Not Permitted:* -No indemnification or advance shall be made under this Article X, except as provided in Section 4 or 5 (c), in any circumstances in which it appears:

- (a) That it would be inconsistent with a provision of the Articles, these Bylaws, a resolution of the members, 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 it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

*Section 9. Insurance.* The Association shall have power to purchase and maintain insurance on behalf of any agent of the Association against any liability asserted against or incurred by the agent in that capacity or arising out of the agent's status as such whether or not the Association would have the power to indemnify the agent against that liability under the provisions of this Article X.

*Section 10. Non-applicability to Fiduciaries of Employee Benefit Plans.* This Article X does not apply to any proceeding against any trustee, investment manager, or other fiduciary of an employee benefit plan in that person's capacity as such, even though that person may also be an agent of the Association as defined in Section 1 of this Article X. The Association shall have power to indemnify that trustee, investment manager, or other fiduciary to the extent permitted by Section 207 (f) of the California General Association Law.

## **ARTICLE XI. PARLIAMENTARY AUTHORITY**

*Section 1. General.* The proceedings at all meetings of the Membership and Board shall be governed by Robert's Rules of Order unless otherwise specified by the Bylaws.

## **ARTICLE XII. DISSOLUTION**

*Section 1. Decision to Dissolve.* The Association may be dissolved at a meeting of the membership upon the adoption of a resolution to dissolve by a 2/3 vote of all members of the association.

*Section 2. Payment of Liabilities and Distribution of Assets.* Upon dissolution, all liabilities and obligations of the Association shall be paid, satisfied, and discharged, or adequate provision made therefore, and any remaining assets shall be liquidated and distributed to a non-profit fund, foundation or association that is organized and operated exclusively for charitable, scientific, or educational purposes for the benefit of Alpacas or other camelids that have established its tax exempt status. The specific organization(s) shall be chosen by the membership at the time of dissolution.

## **ARTICLE XIII. EMERGENCY PROVISIONS**

*Section 1. General.* The provisions of this Article XIII shall be operative only during a national emergency declared by the President of the United States or the person performing the President's functions, or in the event of a nuclear, atomic, or other attack on the United States or a disaster making it impossible or impracticable for the Association to conduct its business without recourse to the provisions of this Article XIII. The provisions of this Article XIII in that event shall override all other Bylaws of the Association in conflict with any provisions of this Article XIII, and shall remain operative so long as it remains impossible or impracticable to continue the business of the Association otherwise, but thereafter shall be inoperative; provided that all actions taken in good faith pursuant to such provisions shall thereafter remain in full force and effect unless and until revoked by action taken pursuant to the provisions of the Bylaws other than those contained in this Article XIII.

*Section 2. Unavailable Directors.* All directors of the Association who are not available to perform their duties as directors by reason of physical or mental incapacity or for any other reason or who are unwilling to perform their duties or whose whereabouts are unknown shall automatically cease to be directors; with the same effect as if they had resigned as directors, so long as their unavailability continues.

*Section 3. Authorized Number of Directors.* The authorized number of directors shall be the number of directors remaining after eliminating those who have ceased to be directors pursuant to Section 2.

*Section 4. Quorum.* The number of directors necessary to constitute a quorum shall be the number bearing the same proportional relationship to the number of directors remaining pursuant to Section 2 as the quorum established in Article VII, Section 9 bears to the authorized number of directors set forth in Article VII, Section 2.

*Section 5. Directors Becoming Available.* Any person who has ceased to be a director pursuant to the provisions of Section 2 and who thereafter becomes available to serve as a director shall automatically resume performing the duties and exercising the powers of a director unless the term of office of that person has expired in accordance with its original terms and a successor has been selected and qualified.