

# **VETS: Veterans Exploring Treatment Solutions, Inc.**

## **AMENDED AND RESTATED BYLAWS**

### **ARTICLE 1**

#### **NAME**

The name of this organization shall be VETS: Veterans Exploring Treatment Solutions, Inc. It is a California nonprofit public benefit corporation.

### **ARTICLE 2**

VETS: Veterans Exploring Treatment Solutions, Inc. provides resources, research, and advocacy to improve the quality of life for U.S. veterans and their families.

### **ARTICLE 3**

#### **BOARD OF DIRECTORS**

#### **Section 1. Board of Directors and Members**

All lawful corporate powers shall be exercised by or under the authority of, and the affairs of the corporation managed, by the board of directors which shall be comprised of not less than three nor more than fifteen Directors who shall be nominated by the Governance and Leadership Committee and elected by the Directors at the annual meeting or regular meeting. Not more than forty nine percent (49%) of the persons serving on the board of the directors may be interested persons within the meaning of the California Nonprofit Corporation Law.

There shall not be any members in this corporation within the meaning of the California Nonprofit Corporation Law.

#### **Section 2. Term of Office**

The founding board of directors shall be elected to staggered terms of office with one third of the board elected to a one (1) a year term; one third of the board elected to a two (2) year term; and one third of the board elected to a three (3) year term. For the founding board of directors only, a member's term of office shall expire at the first annual meeting after their election which approximately coincides with the length of the term of office to which they were elected. The purpose of this provision is to synchronize the member's term with subsequent elections during the annual meetings and may result in a member serving a term of office which is less than a full calendar year(s) to which they were first elected.

At the expiration of founding board of directors' initial term of office and thereafter, the term of office for a Director shall be three calendar years and shall expire at the annual board meeting for the term of office to which they have been elected or when their successors have

been elected and qualified as set forth, whichever shall be later. No director shall serve for more than three (3) consecutive terms. Under no circumstances shall a director serve for more than nine (9) years.

### **Section 3. Duties**

**Duties.** As required by law and practice, every director shall discharge his/her duties as a director in good faith, with the care that an ordinarily prudent person in a like position would exercise under similar circumstances, and in a manner the director reasonably believes to be in the best interest of the corporation. Directors shall abide by applicable federal and state law and the board and corporation's policies.

**Duties of Attendance and Financial Contribution.** Each director shall attend all regularly scheduled or special board and committee and task force meetings.

Every director shall make a personal financial contribution annually to support the work of the corporation and shall engage in the corporation's other fund-raising activities.

### **Section 4. Conflict of Interest**

**Persons affected and duty to disclose.** Directors; officers; trustees; key employees and disqualified persons as established by applicable IRS code and regulations; advisory board and non-board committee members; and any other person(s) designated by the corporation [hereafter referred to individually and collectively as an "affected person(s)"] at all times shall have an affirmative and continuing duty and obligation to disclose to the Board of Directors and the Chief Executive Officer any actual or potential conflict of interest and all relevant facts surrounding the matter for which a conflict may exist at the earliest time at which the affected person becomes aware of its existence.

**Duty to abstain and leave.** After disclosing an actual or potential conflict of interest, the affected person(s) thereafter shall abstain from any further discussion or consideration of the matter. An affected person shall leave the room in which a discussion or meeting about the matter is occurring immediately in order to permit the remaining independent board members who do not have a conflict of interest to determine what course of conduct or action shall be taken in the corporation's best interests.

**Annual disclosure statement.** To enable the corporation's ability to monitor and enforce this policy, each affected person annually shall:

- a) review the bylaws and its conflict of interest provisions and related policy;
- b) provide a written disclosure of all known conflicts;
- c) update in writing additional disclosures as appropriate continuously throughout the year; and
- d) annually shall sign a statement attesting to his/her review and ongoing compliance with this policy.

Copies of each affected person's disclosure forms shall be maintained and monitored electronically by the Secretary of the Corporation and the Chief Executive Officer who shall produce the same upon request by any person or entity. Subject to board approval, the Secretary of the Corporation and Chief Executive Officer shall develop policies and procedures to facilitate his/her ability to monitor transactions and enforce compliance with this Section, related board policies, and other applicable law.

**Conflict of Interest defined and interpreted.** A conflict of interest transaction may be considered to be, but is not limited to, any transaction or activity with the corporation, another entity, relationship, interest, or involvement with any person or entity in which an affected person's actions or interests is or may be considered to contravene his/her fiduciary obligations, duties, and responsibilities to the corporation and which results in; has the appearance of resulting in; or may result in personal, financial, business, organizational, or professional gain or advantage accruing to an affected person(s).

The term conflict of interest shall be construed and interpreted broadly and liberally with the intent to protect the interests of the corporation in fulfillment of its exempt purposes; to protect the integrity of the board's decision making processes by avoiding the taint of a decision or transaction which may be construed by outside parties or entities to the corporation as having been inappropriately influenced by an affected person with a conflict of interest; and to protect the affected person(s).

**Direct and Indirect Conflicts of Interest.** A conflict of interest may consist of either a direct or indirect conflict of interest and be of a financial, economic and/or non-financial nature. A conflict shall include, but is not limited to, any transaction involving inurement or private benefit. A conflict of interest may include any bias or the appearance of bias in the board's decision-making process or the corporation's transactions which may reflect a duality of interests between an affected person(s) and his/her related entities and transactions or activities involving the corporation.

Transactions or activities of any nature involving an affected person are a direct conflict of interest. Transactions or activities of any nature involving third parties or entities associated with an affected person are an indirect conflict of interest.

For purposes of determining whether an indirect conflict of interest exists, an affected person has an indirect interest in a transaction if it involves:

- (1) an affected person's family which includes his or her parents and ancestors; spouse; siblings (by whole or half-blood); children, grandchildren and great-grandchildren and their spouses, and other family members whether related by adoption, blood, marriage, or civil union;
- (2) any entity in which the affected person or any family member(s) of his/her family whether as a co-owner, partner, corporation, shareholder, employee, agent, or other significant individual connected to or with an affected person has a material interest or owns more than 35 percent of the combined voting power,

profits interest, and/or beneficial interests; or in which the affected person or any family member is a general or limited partner or associate is a party to the transaction and has a material interest; or

(3) any entity in which the affected person or an affected person's family member(s) is an officer, director, shareholder, partner, owner, or trustee or has a relationship which given the totality of the circumstances should be considered by the corporation or board before engaging in the transaction.

**Five-year period.** An affected person's status continues for a period of five (5) years following the conclusion of his/her last date of active involvement with the corporation. During this five (5) year period, the corporation shall engage in a conflict of interest analysis to determine whether or not a proposed transaction with an affected person or entity is in the best interests of the corporation.

**Vote on conflicted transaction.** Any corporate transaction in which an affected person has a direct or indirect interest shall only be authorized, approved, or ratified in good faith by a majority, but not less than two (2), of the independent directors who have no direct or indirect interest in the transaction even though less than a quorum; provided, however, no such transaction shall be authorized, approved, or ratified by a single Director.

**Applicable law.** These provisions supplement any other applicable state or federal law or regulation which may apply to conflicts of interest.

## **Section 5. Loans to Directors and Officers**

The Corporation shall not make any loan of money or property to or guarantee the obligation of any Director or officer, unless approved by the Attorney General of the State of California; provided, however, the Corporation may advance money to a Director or officer of the Corporation for expenses reasonable anticipated to be incurred in the performance of 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.

## **Section 6. Actual Knowledge and Reliance on Information Provided By Others**

**Actual knowledge.** When a director, officer, employee, or affected person has knowledge of a matter which may affect the corporation, she/he have an affirmative duty to bring the matter to the attention of the Board of Directors and the Chief Executive Officer.

**Reliance on information provided.** Unless actual knowledge concerning the matter in question makes such reliance unreasonable, an officer or director shall not be liable, if the officer or director performed any and all duties in compliance with this article or the officer or director relied on information, opinions, reports, or statements, including financial statements and other financial data, if prepared and presented by (I) one or more officers or employees of the corporation whom the director reasonably believes to be reliable and competent at in the matters

presented; (ii) legal counsel, public accountants, or other persons as to matters the director reasonably believes are within their professional or expert competence; or (iii) a committee of the board of which the director is not a member if the director reasonably believes the committee merits confidence.

### **Section 7. Vacancies.**

In case of any vacancy in the Board of Directors through death, resignation, disqualification or other cause, the remaining directors upon recommendation by the Governance and Leadership Committee may elect a successor to hold office for the remainder of the unexpired portion of the departing member's term.

### **Section 8. Compensation.**

No member of the Board of Directors shall be compensated for service as director of this corporation except for reimbursement of actual expenses incurred while in the performance of their duties as a member of the board.

### **Section 9. Removal**

A director may be removed with or without cause at a regular or special meeting by a vote of the majority of the Board of Directors only if written notice has been given not less than ten (10) days before the meeting.

### **Section 10. Absences - Automatic Resignation, Excused Absences, and Ineligibility for Reappointment or Election**

**Automatic resignation.** Because attendance and participation at scheduled meetings are a board member's primary duty and responsibility, any director, committee, or task force member who misses three consecutive board, committee, or task force meetings or more than forty (40%) per cent of the board, committee, or task force meetings shall be deemed to have resigned immediately and automatically without any affirmative action or vote by the Board of Directors.

A individual's resignation by absence shall not require any further action by the Board of Directors or the individual to implement said resignation. The Secretary shall record in the meeting minutes the fact of a individual's resignation by absence and shall send a copy of the minutes to that individual.

**Excused absences.** If a board, committee, or task force member's absence is due to significant health or medical considerations, death and bereavement of a family member, or to natural disaster or civil unrest, the Board of Directors, committee, or task force may excuse their absence on that basis by a majority vote of the Board of Directors, committee, or task force only during the meeting at which the absence occurred. For purposes of this section, a family member is defined as parents or spouse's parents, spouse, and children or grandchildren and their

spouses, whether related by adoption, blood, marriage, or civil union. An absence excused under these circumstances shall be recorded contemporaneously in the minutes of the meeting for which an absence has been excused.

There shall not be any other basis for an excused absence.

**Ineligibility for Reelection or Reappointment.** The Board of Directors shall not have the authority to rescind, waive, or otherwise diminish the effect of a Director, Committee Member or Task Force member's resignation by absence. Any person who has resigned by absence from the Board of Directors thereafter shall not be eligible for reappointment to any position in the Corporation.

## **Section 11. Advisory Board**

**Advisory board appointment and duties.** The Board of Directors may choose to establish an Advisory Board(s) comprised of those individuals and representatives of organizations with knowledge, skill, expertise, standing, or such other qualifications deemed necessary or appropriate to advise and to assist the organization and board of directors in the fulfillment of corporation's mission. The Advisory Board shall have such tasks and responsibilities as may be assigned it in writing and adopted by the Board of Directors. The Advisory Board shall not have governing, legal, or management responsibilities for the organization.

**Term of Office.** An Advisory Board Member shall serve a term of one (1) year and shall be eligible for reappointment for a maximum of six (6) years. No Director, except for the Vice-Chairperson, shall serve on both the Board of Directors and the Advisory Board simultaneously. The Advisory Board shall be chaired by the Vice-Chairperson and shall be subject to the same provisions and conditions relating to Conflict of Interest as set forth previously.

## **ARTICLE 4. BOARD OFFICERS AND CHIEF EXECUTIVE OFFICER**

### **Section 1. Board Officers**

The board officers of this organization shall consist of a Chairperson, Vice-Chairperson, and Secretary, and Treasurer. Officers shall be members of the Board of Directors, be nominated by the Governance and Leadership Committee, and elected by the Board of Directors at its annual meeting. No officer shall serve in two offices simultaneously.

### **Section 2. Terms**

The term of office for each officer shall be one year from the date of their election. An officer is eligible for reelection for one additional term in a specific office.

### **Section 3. Board Officers' Duties**

The Chairperson shall preside at all meetings of the Board of Directors. The Chairperson shall insure that the business of the board is conducted in compliance with federal and state laws, the Articles of Incorporation and the By-Laws of the corporation, and the board's policies. The Chairperson shall perform such other duties as may be assigned by a majority vote of the Board of Directors.

The Vice-Chairperson shall preside at all meetings at which the Chairperson is not in attendance and shall succeed the Chairperson if the Chairperson is unable to complete their term of office or to perform other duties. The Vice-Chairperson shall perform such other duties as may be assigned by a majority vote of the Board of Directors.

The Secretary shall insure the board's compliance with responsibilities imposed upon it by law and these by laws, including, but not limited to, recording minutes of all regular and special meetings, documenting board policies, recording the Directors' attendance at board meetings and/or participation by electronic communications, and maintaining and assuring the accuracy of all organizational documents. The Secretary shall include in the minutes of each meeting the members who were physically present, who participated by electronic communications, and who were absent. The Secretary shall be responsible for securing and maintaining the annual conflict of interest disclosure statements and shall report the same at the annual meeting. The Secretary shall perform such other duties as may be assigned by a majority vote of the Board of Directors.

The Treasurer shall have and maintain supervision over the organization's funds, receipts and disbursements, shall maintain full and accurate records thereof in the offices of the organization, and shall provide financial reports to the Board of Directors and such other organizations as may be required. The Treasurer shall perform such other duties as may be assigned by a majority vote of the Board of Directors.

In the event of death, resignation, disqualification or temporary absence or disability of any officer of the corporation, the officer's duties and powers may be delegated by the board of directors to any other officer of the corporation or to any director of the corporation for a specified period of time.

### **Section 4. Chief Executive Officer and Employees**

**Chief Executive Officer.** The Board of Directors may employ a Chief Executive Officer ("CEO") who shall serve as the executive officer of the corporation. The CEO shall be directly and solely accountable and responsible to the Board of Directors for the daily management and operations of the corporation's business. The CEO shall serve at the pleasure of the board; shall be reviewed and evaluated annually on his/her performance and the corporation's performance by the Chair and a task force established in consultation with the Governance and Leadership Committee; and shall be fully responsible for discharging the directives and policies of the Board of Directors through the corporation's daily operations. The CEO shall be custodian of the corporation's funds; shall work with the Treasurer to assure the financial solvency of the

corporation; and shall annually, or more often as required, submit to the Board of Directors operational and financial reports.

**Employees.** The CEO may hire or discharge employees as needed. Employees shall work at the direction and under the management and supervision of the CEO. The CEO shall be responsible to assure that each employee is annually reviewed and evaluated on his/her performance. The CEO and employees of the corporation shall be bonded in an amount determined by the Board of Directors or as otherwise required.

**Limitations on dual service.** Except for the corporation's co-founders, Amber Capone and Marcus Capone, no other member of the Board of Directors, Advisory Board, or board committees shall serve simultaneously as the CEO or as an employee of the corporation.

## **ARTICLE 5 BOARD COMMITTEES AND TASK FORCES**

### **Section 1. Standing Committees and Task Forces**

While serving on the Board of Directors, board members shall serve on one or more standing committees and/or task forces which are accountable to the Board of Directors. Standing committees and task forces shall inform, advise, and make recommendations on matters affecting the corporation to the Board of Directors as are necessary to improve and fulfill the corporation's mission and to ensure compliance with applicable law. They work primarily between board meetings either in person or electronically.

**Standing Committees.** Standing committees are defined in the corporation's bylaws set forth below; shall have permanent status unless removed from the bylaws; and shall have the broad duties and responsibilities as outlined in the bylaws and the board governance manual.

**Task forces.** Task forces are temporary working groups which are not defined in the bylaws; shall have a specific task(s) and/or a limited life span not to exceed a year unless reappointed for a second year; and shall perform the duties and responsibilities as defined in the written charter provided to them at their formation by the Chair and Board of Directors. No task force shall operate for more than two (2) years except in extraordinary circumstances.

**Membership.** A standing committee and task force shall serve at the pleasure of the board and shall be chaired by a member of the Board of Directors. A standing committee or task force shall consist of a majority of board members and not less than three (3) nor more than seven (7) members. Non-board members may be eligible for appointment to these groups as non-voting members. All individuals serving on a board committee or task force shall be subject to the board's conflict of interest and disclosure policies. Upon demonstration of satisfactory performance, non-board members may be eligible for reappointment as appropriate and in no case for more than three consecutive years.

**Policies and procedures.** Standing committees and task forces may adopt policies and procedures to facilitate their duties which shall be submitted for review, coordination of effort, and approval by the Board of Directors. Reports and recommendations to the board shall be in



writing and issued sufficiently in advance of board meetings and/or action to allow for meaningful review by the board. The Chief Executive Officer or his/her designees shall be responsible to provide such administrative support and assistance as may be required.

**Term of office and review.** The term of service for each standing committee or task force member shall expire at the end of the calendar year or upon completion of the work required by a task force matter, whichever occurs first. Committees and Task Forces shall be reviewed annually or as needed by the Chair and the Governance and Leadership Committee and, as appropriate, renewed by a vote of the board at its annual meeting.

## **Section 2. Governance and Leadership Committee**

The Governance and Leadership Committee shall be a standing committee of the board and shall consist of not less than three (3) individuals. The Board of Directors may appoint non board member(s) by majority vote. The term of office shall be one year. The Governance and Leadership Committee shall select, orient, and assess the officers and members of the Board of Directors. As part of its duties the Governance and Leadership Committee shall establish and perform an ongoing assessment of the board, its individual members, and board processes to improve the ability of the corporation to develop, sustain, and improve the delivery of its mission through the efforts by the board and its members. The Governance and Leadership Committee may also be called upon by the Chairperson or the Board of Directors to make nominations for awards or special recognition when such opportunities are presented by other organizations.

## **Section 3. Audit Committee**

There may be an Audit Committee consisting of not less than three (3) nor more than five (5) elected directors and/or non-board members. At least one member of this committee shall have expertise in financial and accounting matters affecting the corporation. The committee shall have oversight responsibility to assure the fiscal and operational integrity of the corporation. The Committee shall contract for and receive an independent audit of the corporation's financial transactions each year and shall report its findings and recommendations in writing to the entire board at its annual meeting. No board member shall serve on the Audit and Finance Committees simultaneously.

## **Section 4. Finance Committee**

There shall be a Finance Committee consisting of not less than three (3) nor more than five (5) elected directors and/or non-board members. The term of office shall be one (1) year. The committee shall direct the fiscal affairs of the Corporation, supervise and direct fund-raising activities, and prepare the financial reports and budgets for the Corporation. The Chairperson of the committee shall be the Treasurer. No board member shall serve on the Audit and Finance Committees simultaneously.

## **Section 5. Other Committees**

The Board of Directors may create other committees or task forces as needed. The Board

shall prescribe the duties and duration of such committees and task forces in writing at the time of their formation.

## **ARTICLE 6 MEETINGS**

### **Section 1. Regular and Special Meetings**

Regular meetings shall be held not less than quarterly and at a time and place to be determined by the Board of Directors.

Special meetings may be called for by the Chairperson or by two or more members of the Board of Directors at any time. Special meetings shall be held at a date and time as indicated in the notice of the meeting and shall be held at the site of regular meetings.

An executive session may be held at each regular or special board meeting during which only board members shall be permitted to attend and participate or others whom the board may invite to attend.

### **Section 2. Electronic meetings**

Regular or special board meetings, except for the Annual Meeting, may be held via any electronic communications medium which enables all board members to participate simultaneously in the discussion, considerations, and voting at the meeting.

### **Section 3. Annual Meeting**

The Annual Meeting shall be held October of each calendar year and shall be attended in person by the board.

At the Annual Meeting the Board of Directors shall:

- elect the new class of board members;
- elect members of the Advisory Board;
- set the forthcoming calendar of meetings;
- make available an annual report of accomplishments and activities of the corporation to such entities and persons as the Board of Directors shall deem appropriate;
- file the annual conflict of interest statements with the Secretary;
- report the annual attendance for each board member;
- report the receipt of conflict of interest disclosure statements; and,
- transact such other business as deemed necessary and appropriate.

#### **Section 4. Notice of Meetings**

The date and times for regular meetings shall be established by the Board of Directors at the Annual meeting for the calendar year with written notice given to the Board of Directors at that meeting. A meeting date may be changed subsequently to accommodate the organization's needs as may be determined necessary from time to time upon a majority vote by the Board.

Notice of a regular meeting which shall include the board packet of information shall be given not less than seven (7) days by mail or by telephone, fax, email, or other electronic communication medium as the Board may determine appropriate before said meeting unless such notice is waived by a majority of the board at the meeting. Notice of a meeting to remove a Director for good cause shall be given not less than ten (10) days prior to said meeting date and said notice shall not be waived by the Board of Directors. Notice of the meeting shall include the date, time, place, and agenda for said meeting.

Notice of a special meeting shall be given by mail not less than ten (10) days by mail or by telephone, fax, email, or other electronic communication medium as the Board may determine appropriate notice of a special meeting to remove a Director for good cause shall be given not less than ten (10) days prior to said meeting date and said notice shall not be waived by the Board of Directors. Notice of the meeting shall include the purpose of the meeting, who called the meeting, as well as the date, time, and place for said meeting.

Attendance by a Director at any meeting shall constitute a waiver of notice of such meeting, except when a Director attends a meeting for the express purpose of objecting to transaction of any business because the meeting is not lawfully called.

#### **Section 5. Quorum**

A majority of the Board of Directors shall constitute a quorum for the transaction of business and, whenever a quorum is present, all acts and decisions taken by a majority vote of Directors assembled at said meeting shall be valid as a corporate act.

#### **Section 6. Voting**

Each Director shall be entitled to one vote on each matter submitted to a vote at a meeting of the Board. Voting on all matters shall be by voice vote, by show of hands, or by ballot. Silence or failure to vote by a Director shall be counted as an affirmative vote on the matter before the Board. The Secretary shall record the votes on all matters in the meeting minutes. Robert's Rules of Order shall govern the conduct at meetings.

#### **Section 7. Ratification of Action by Unanimous Consent**

Any action taken and assented to in writing by all of the Board of Directors shall be valid and effective as if passed by the Board at any regular meeting or special meeting called for that purpose, except as to the removal of a Director which action must occur at a scheduled meeting.

If all members of the Board of Directors consent to actions taken without meeting, their consent may be in electronic form and delivered by electronic means to the Chairperson and the Secretary with electronic copies sent to all the board members. Actions taken by electronic transactions are effective when the last director signs the consent, unless the consent specifies a different effective date. A consent signed has the effect of a meeting vote and may be described as such in any document.

## **ARTICLE 7 CONTRACTS, CHECKS AND FUNDS**

### **Section 1. Contracts**

The Board of Directors may authorize the Chairperson, other Director, Chief Executive Officer, employee, agent, or any combination thereof to enter into any contract or execute and deliver any instrument in the name of and on behalf of the organization, and such authority may be general in nature or restricted to specific matters or instances.

### **Section 2. Checks, Drafts, etc.**

All checks, drafts, or other orders for the payment of money issued in the name of the organization shall be signed by such Director, Chief Executive Officer, employee, agent, or any combination thereof of the organization and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer. For checks, drafts, etc. in the amount of five thousand dollars (\$5,000.00) or more such instruments shall be signed by two of the following three persons: the Chairperson, the Treasurer, the Chief Executive Officer, or other board designated person.

### **Section 3. Gifts**

The Board of Directors may accept on behalf of the organization any contribution, gift, or bequest for the organization. The Board of Directors may authorize any Director, officer, agent, or combination thereof to negotiate with any donor as to the terms of any gift, contribution, or grant.

## **ARTICLE 8 FISCAL YEAR**

The fiscal year for the organization shall run from the first day of January through the last day of December.

## **ARTICLE 9 INDEMNIFICATION**

In considering whether to provide indemnification, the corporation first shall determine whether a party has (1) conducted himself or herself in good faith; (2) reasonably believed (I) in the case of conduct in his/her official capacity with the corporation, that his/her conduct was in the corporation's best interests; and (ii) in all other cases, his/her conduct was at least not opposed to its best interests; (3) there was no improper personal benefit; and (4) in the case of any criminal proceeding, had no reasonable cause to believe his/her conduct was unlawful. Upon making an affirmative determination, the corporation shall indemnify any person made, or threatened to be made, a party to an action or proceeding by reason of the fact that the person, his/her testator or intestate, was a director, officer, employee, or agent of the organization, or of any other organization served by that person in any capacity at the request of the organization, against judgments, fines, amounts paid in settlement, and reasonable expenses, including attorney's fees, to the extent and in a manner as provided by law.

The corporation shall not indemnify a director, officer, employee, or other party (1) in connection with a proceeding by or in the right of the corporation in which the director, officer, employee, or other party was adjudged liable to the corporation or (2) in connection with any other proceeding charging improper benefits to the director, officer, employee, or other party whether or not involving action in his/her official capacity, in which the director, officer, employee, or other party was adjudged liable on the basis that personal benefit was improperly received by the director.

The Board shall at all times maintain appropriate board and liability insurance policies commensurate with the appropriate level of risk and liability to the board and the corporation.

## **ARTICLE 10 PROHIBITED ACTIVITIES**

No part of the net earnings of the corporation shall inure to the benefit of or be distributable to its directors, officers, employees, disqualified person(s), or other private persons or entities. However, the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of its exempt purposes set forth in the articles of incorporation and these bylaws.

No substantial part of the activities of the corporation shall be for the purposes of propaganda or otherwise attempting to influence legislation, except as may be permitted by law. The corporation shall not participate or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office or political party, except as may be permitted by law.

Notwithstanding any other provisions of these articles of incorporation or bylaws, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c) of the Internal Revenue Code or (b) by a corporation for which contributions are deductible under Section 170 (c)(2) of the

Code or its successor provisions.

## **ARTICLE 11 DISTRIBUTION UPON DISSOLUTION**

Upon the dissolution of the corporation and after making provision for the payment of all of the liabilities of the corporation, the Board of Directors shall dispose of any remaining assets of the corporation by giving them to an organization or organizations organized and operated exclusively for exempt purposes as shall at the time qualify as an exempt organization or organizations under Section 501 (c)(3) of the Internal Revenue Code.

Alternatively, the Board of Directors may give the remaining assets to federal, state, or local governments to be used exclusively for public purposes. In the event the Board of Directors is unable to dispose of the remaining assets in accordance with the foregoing provision, then a petition shall be filed before the Superior Court of the county in which the principal office of the corporation is then located. After determining jurisdiction, the Superior Court shall determine what exempt organizations or federal, state, or local governments shall receive the corporation's remaining assets.

## **ARTICLE 12 NON-DISCRIMINATION POLICY**

VETS: Veterans Exploring Treatment Solutions, Inc. does not discriminate in the administration of its policies, programs, or in access to or treatment in any other program on the basis of religion, race, color, sex, ancestry, sexual orientation, disability, national origin, or any other protected category in accordance with applicable Federal, State and local laws.

## **ARTICLE 13 DISCLOSURE POLICY**

As a tax-exempt organization, the corporation is required to produce certain documents upon request by any party pursuant to federal and/or state law. In seeking to comply with these provisions, the corporation acknowledges and recognizes the values of trust, accountability, and transparency to its stakeholders and the public. Therefore, the corporation shall prominently display a "Governance and Public Information" page on its website and disclose as downloadable PDF files the following documents:

- (1) Articles of Incorporation;
- (2) Bylaws
- (3) IRS 990 tax forms; and
- (4) Other documents as the Board of Directors shall determine appropriate.

## **ARTICLE 14 CORPORATE SEAL**

The Directors shall provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the corporation, the state of incorporation, year of incorporation, and the words, "Corporate Seal".

## **ARTICLE 15 AMENDMENTS**

These Bylaws may be amended by an affirmative vote of two-thirds (2/3) of the Directors then holding office at a meeting called for the purpose of modifying said Bylaws. Notice with copies of the proposed By-Law changes shall be mailed to the Board of Directors not less than ten (10) days in advance of any meeting to modify them.

## **CERTIFICATE OF SECRETARY**

I certify that I am the duly elected and acting Secretary of VETS: Veterans Exploring Treatment Solutions, Inc., a California nonprofit public benefit corporation and that the foregoing Bylaws are the true and correct Bylaws which were adopted by the Board of Directors effective this date.

This the 16<sup>th</sup> day of April, 2025.



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Khurshid Khoja  
Corporate Secretary  
VETS: Veterans Exploring Treatment Solutions,  
Inc.