

**BYLAWS
OF THE
COLORADO NONPROFIT ASSOCIATION**

In accordance with a resolution duly adopted by the board of directors of the Colorado Association of Nonprofit Organizations (CANPO) at a regularly held meeting on March 11, 1987, the following are adopted as the bylaws of CANPO.

NOTE: In September 2005, The Colorado Association of Nonprofit Organizations (CANPO) changed its name to the Colorado Nonprofit Association. These bylaws were modified by the board of directors of the Colorado Nonprofit Association to reflect the organization's new name at its meeting on November 10, 2005.

ARTICLE I. NAME

SECTION 1. *Name.* The name of the organization shall be the Colorado Nonprofit Association.

ARTICLE II. PURPOSE

SECTION 1. *Purpose.* The Colorado Nonprofit Association has been organized to operate exclusively for charitable purposes, including but not limited to:

- (A) Social betterment of nonprofit organizations in the State of Colorado, including their members or clients;
- (B) Increasing the effectiveness of nonprofit organizations serving the people of the State of Colorado by providing a forum:
 - (1) where they can make their needs known and voices heard;
 - (2) where they can take joint action on problems of mutual concern;
 - (3) where they can share resources;
- (C) Sharing information with the administrative and legislative branches of state, county and local government on the role of nonprofit organizations;
- (D) Education of the general public on services and needs of nonprofit organizations; and
- (E) Providing services to assist nonprofit organizations in carrying out their missions.

ARTICLE III. LOCATION

SECTION 1. *Location.* The principal office of the Corporation, at which the general business of the Corporation will be transacted and where the records of the Corporation will be kept, will be at such place in the State of Colorado as may be fixed from time to time by the board of directors.

ARTICLE IV. MEMBERS

SECTION 1. *Categories of Membership.* There shall be two (2) categories of membership in the Colorado Nonprofit Association as follows:

- (A) *Nonprofit Members.* Any nonprofit agency or organization is eligible for nonprofit membership if it has recognition of, or has an application pending for recognition of, tax-exempt status under Section 501(c)(3) of the Internal Revenue Code.
- (B) *General Members.* The board of directors may approve general membership for individuals and all other organizations which seek to affiliate with the Colorado Nonprofit Association.

SECTION 2. *Voting.* Each nonprofit member shall be entitled to one (1) vote on each matter submitted to a vote of the members. General members shall not be entitled to vote.

SECTION 3. *Dues.* Annual membership dues shall be determined by the board of directors.

SECTION 4. *Procedure for Membership.* An individual, agency or organization shall become a member of the Colorado Nonprofit Association if it:

- (A) meets the eligibility criteria;
- (B) agrees to work for the purposes of the Colorado Nonprofit Association and to operate within these bylaws; and
- (C) submits the membership application form and pays its dues.

SECTION 5. *Observation of Autonomy.* The Colorado Nonprofit Association and its members shall scrupulously observe the autonomy of each and every other member of the Corporation.

ARTICLE V. DELEGATES

SECTION 1. *Designation of Delegate.* Each member shall be represented by one delegate who shall be the executive director of the organization (or its equivalent) or an individual officially appointed by the member.

SECTION 2. No delegate shall be entitled to represent more than one member.

ARTICLE VI. MEETING OF MEMBERS

SECTION 1. *Time.* An annual meeting of the members will be held each year on a date set by the board of directors. At least twenty-one (21) days' notice of the annual meeting shall be given to the members.

SECTION 2. *Order of Business.* At the annual meeting of members,

- (A) Elections of directors shall be held in accordance with Section 2 of Article VII and Section 2 of Article XII;

- (B) A work program and budget describing the activities of the Colorado Nonprofit Association for the following year shall be presented and;
- (C) A program and financial report for the past year shall be presented to the membership.

SECTION 3. *Special Meetings.* Special meetings of the members may be called by the board of directors or upon written request/petition of at least one-third (1/3) of the members, who shall have stated in writing to the board of directors the purpose of such a meeting.

SECTION 4. *Voting.* At all meetings of the members, voting shall be by the members' delegates. Cumulative voting shall not be allowed by any delegate. Members must be present in person to vote; proxy votes shall not be allowed at any meeting of the members.

SECTION 5. *Open to the Public.* All meetings of the membership are open to the public.

SECTION 6. *Quorum.* At meetings of the membership, ten (10) nonprofit members shall constitute a quorum for the transaction of business.

ARTICLE VII. BOARD OF DIRECTORS

SECTION 1. *Governance of the Colorado Nonprofit Association.* Governance of the Colorado Nonprofit Association shall be vested in a board of directors which shall include the officers of the Corporation. The number of directors shall be fixed by resolution of the board of directors within a range of no less than five (5) or more than twenty-three (23) (excluding the ex-officio members of the board), but no decrease in the number of directors shall have the effect of shortening the term of any incumbent director. At least 51 per cent of the board will consist of representatives of 501(c)(3) Nonprofit Members. All powers not delegated by the board of directors are reserved to it.

SECTION 2 *Election of New Directors.* Election of new directors or election of current directors to a second term will occur as the first item of business at the Colorado Nonprofit Association's annual meeting of members. Directors will be elected by a majority vote, and those directors shall be considered "elected" directors.

SECTION 3. *Term of Office.* The term of each elected director of the Corporation will be three (3) years. No elected director will be eligible to serve more than two (2) consecutive full terms as an elected director, except that the Board may authorize a third three-year term or a third term of less than three years for the Board Chair or immediate Past Board Chair by a majority vote. The Board may authorize a third term for other board members by a two-thirds (2/3) majority vote. Approximately one-third (1/3) of the members of the board of directors shall be elected each year, to the extent possible.

SECTION 4. *Removal of Director.* Any director may be removed from the board of directors by an affirmative vote of two-thirds (2/3) of the directors present at an official meeting of the board. At least ten (10) days' notice of the proposed removal will be given to the involved director, who will be given an opportunity to be present and to be heard at the meeting at which the removal is considered.

SECTION 5. *Compensation and Expenses.* No compensation will be paid to any member of the board of directors for services as a member of the board. By resolution of the board, reasonable expenses may be allowed for attendance at regular and special meetings of the board and for special services rendered by any director.

SECTION 6. *Absence Considered a Resignation.* Absence from three (3) consecutive meetings of the board of directors without a valid reason in the judgment of the board of directors shall be considered a resignation constituting a vacancy to be filled by the board.

SECTION 7. *Vacancies.* The board may appoint one or more persons to serve as directors until the next annual meeting of the members to fill an open position or unexpired term on the board when the number of directors is less than the total allowed by these bylaws. If the membership ratifies the board appointment by electing that member to the board at the next annual meeting of the members, then following the election that board member would be serving his/her first "elected" position on the board, and would thereafter be subject to Section 3 of this Article VII.

SECTION 8. *Ex-officio members.*

- (A) The President and Chief Executive Officer of the Colorado Nonprofit Association shall be a non-voting ex-officio member of the board of directors.
- (B) The Chief Executive Officer of Nonprofit Resources, Inc. (the wholly owned subsidiary of the Colorado Nonprofit Association) shall be a non-voting ex-officio member of the board of directors which will allow full participation in all board discussions and committees but without a vote.

ARTICLE VIII. NONDISCRIMINATION

SECTION 1. *Nondiscrimination Policy.* The Colorado Nonprofit Association is committed to a policy of fair representation on the board of directors and will not discriminate on the basis of race, disability, sex, color, religion, sexual orientation, geography or age. Directors shall be selected on the basis of representation from the nonprofit sector, the business community, and the community at large. At least 51 per cent of the board will consist of representatives of 501(c)(3) Nonprofit Members. While representatives of General Member organizations will not be excluded from serving on the organization's board, there will be no minimum number of representatives specified from this group.

ARTICLE IX. MEETINGS OF THE BOARD OF DIRECTORS

SECTION 1. *Meetings.* The board of directors will hold regular meetings at least four times each calendar year at such place and time as may be designated by the board of directors.

SECTION 2. *Special Meetings.* Special meetings of the board of directors may be called by the board chair, by a majority of the board, or by a request of a majority of members at a membership meeting.

SECTION 3. *Notice.* Notice of regular and special meetings of the board of directors will be mailed at least 10 days prior to the day such a meeting is to be held. Unless called by a majority of the members at a membership meeting, no notice of board meetings need be served upon the membership.

SECTION 4. *Open to Public.* All meetings of the board of directors shall be open to the public. During any meeting, the board of directors may choose to enter "executive session," at which time only the members of the board of directors and any invited guests will be allowed in the session.

SECTION 5. *Quorum.* One-third (1/3) of the number of directors fixed pursuant to Section 1 of Article VII, or if no such number is fixed, one-third (1/3) of the number of directors serving on the

board immediately before the meeting begins, shall constitute a quorum for transacting business. Board members may participate by telephone conference or similar communications equipment by which all persons participating in the meeting can hear each other at the same time. Such participation shall constitute presence in person at the meeting.

SECTION 6. *Voting.* At a meeting at which a quorum is present, a simple majority affirmative vote of the directors voting is required to pass a motion before the board, except that motions for the Association to support, oppose, remain neutral or take no position on public policy matters shall require the majority affirmative vote from all directors of the Board. All votes of the Board shall be conducted in accordance with the method allowed under Colorado law. The board chair may elect to vote or abstain.

SECTION 7. *Roberts' Rules of Order.* The rules contained in the current edition of *Robert's Rules of Order Newly Revised* will be the authority for all questions of procedure at any meeting of the Colorado Nonprofit Association.

ARTICLE X. OFFICERS

SECTION 1. *Titles, Election, and Term.* At the first board meeting following the annual meeting of the membership, the board of directors shall elect from its members the officers of the Colorado Nonprofit Association, which shall include a board chair, vice-chair, secretary, and treasurer. Officers shall hold offices for one year or until their qualified successors are elected or until their prior death, resignation, or removal.

SECTION 2. *Duties.* The duties of these officers shall be those which usually pertain to these officers.

SECTION 3. *Vacancy.* A vacancy in any office may be filled by a majority vote of the board of directors for the unexpired portion of the term.

ARTICLE XI. PRESIDENT AND CHIEF EXECUTIVE OFFICER AND STAFF

SECTION 1. *Appointment.* The board of directors may appoint an individual to serve as president and chief executive officer (CEO) of the Colorado Nonprofit Association. Such president and CEO will hold office at the will of the board and will not be subject to term limits applicable to the officers described in Article X. The president and CEO shall serve as an ex-officio member of all committees.

SECTION 2. *Duties.* It shall be the duty of the president and CEO to carry out the policies and program of the Colorado Nonprofit Association; to make periodic reports of the Corporation's operations to the board of directors; to appoint other members of the staff in positions authorized by the board, to assign their duties, and to direct and supervise their work; and to perform such other duties as may be directed by the board.

ARTICLE XII. COMMITTEES AND TASK FORCES

SECTION 1. *Executive Committee.*

- (A) The Executive Committee will consist of the officers of the Corporation, described in Article X. The board chair may appoint at-large voting or non-voting members to the

Executive Committee as needed, but all voting members of the Executive Committee must be members of the board of directors. The president and CEO shall be a non-voting member of the Executive Committee. The terms of the members of the Executive Committee who serve by reason of holding one or more of the offices described in Article X shall be coterminous with the terms of such offices.

- (B) The board chair will chair the Executive Committee. A majority of the number of voting Executive Committee members shall constitute a quorum for transacting business. The act of the majority of the voting Executive Committee members present at a meeting at which a quorum is present shall be the act of the Executive Committee.
- (C) The Executive Committee shall, to the extent permitted by applicable statutes, (i) have the authority of the board of directors between the regular meetings of such board and (ii) perform such other duties as delegated to it by the board of directors. The Executive Committee is a standing committee of the board of directors. The delegation of authority to the Executive Committee shall not operate to relieve the board of directors or any individual director of any responsibility imposed upon him by law. Actions of the executive committee will be ratified by the board of directors at the subsequent meeting of the board.
- (D) Unless otherwise determined by the Executive Committee, regular meetings of the Executive Committee shall be held monthly. In addition, special meetings may be called by the board chair at such time and place as the board chair shall designate.

SECTION 2. *Nominating* The board chair shall appoint a Nominating Committee of not less than three (3) members. The Nominating Committee shall submit in writing to the board of directors its recommendations for nomination of persons as officers and directors. The board shall consider the recommendations and shall notify the membership of its nominations at least twenty-one (21) days before the annual meeting. If no additional nominations as directors are submitted, no formal vote shall be necessary and the board's nominees shall be deemed elected by majority vote at the annual meeting. Additional nominations may be made by any group of five (5) or more members who submit their nomination in writing to the board chair at least ten (10) days before the annual meeting, in which case the election of directors shall be by written, secret ballot at the annual meeting.

SECTION 3. *Other Committees.* The board of directors may authorize the establishment of other committees, advisory board or task forces from time to time and assign duties to them.

- (A) *Standing Committees.* By one or more resolutions, the board of directors may establish one or more standing committees in addition to the Executive Committee. The normal role of a standing committee, other than the Executive Committee, is to consider matters of concern to the board of directors and to make recommendations thereon to the board. The board chair shall appoint the chair of any such committee on an annual basis. A standing committee shall exist until disbanded by resolution of the board. Unless the board by resolution delegates specific authority to a standing committee to act on behalf of the Corporation, standing committees other than the Executive Committee shall not have any authority to bind the board or the Corporation or exercise any power or authority reserved to the board by law, the articles of incorporation, or these bylaws.
- (B) *Task Forces.* By one or more resolutions, the board may establish one or more task forces to undertake a limited scope of business during a limited period of time and make recommendations thereon to the board. Task forces shall not have any authority

to bind the board or the Corporation or exercise any power or authority reserved to the board by law, the articles of incorporation, or these bylaws.

ARTICLE XIII. GENERAL PROVISIONS

SECTION 1. *Indemnification of Directors, Officers, Employees and Agents.*

(A) *Definitions.* For purposes of this Section 1 of Article XIII, the following terms shall have the meanings set forth below:

- (1) "Corporation" means the Colorado Nonprofit Association and, in addition to the resulting or surviving corporation, any domestic or foreign predecessor entity or corporation in a merger, consolidation or other transaction in which the Colorado Nonprofit Association's existence ceased upon consummation of the transaction.
- (2) "Director" means an individual who is or was a director of the Corporation, and an individual who, while such a director of the Corporation, is or was serving at the Corporation's request as a director, officer, partner, trustee, employee, fiduciary or agent of any other foreign or domestic corporation or of any partnership, joint venture, trust, other enterprise, or employee benefit plan. A "director" shall be considered to be serving an employee benefit plan at the Corporation's request if his or her duties to the Corporation also impose duties on or otherwise involve services by him or her to the plan or to participants in or beneficiaries of the plan. "Director" includes, unless the context otherwise requires, the estate or personal representative of a "director."
- (3) "Expenses" means the actual and reasonable expenses, including attorneys' fees, incurred by a party in connection with a proceeding.
- (4) "Liability" means the obligation to pay a judgment, settlement, penalty, fine (including an excise tax assessed with respect to a private foundation or an employee benefit plan) or reasonable expense incurred with respect to a proceeding.
- (5) "Official capacity" when used with respect to a director of the Corporation means the office of director in the Corporation, and when used with respect to a person in a capacity other than as a director (even if such person is also a director) means the office in the Corporation held by the officer or the employment or agency relationship undertaken by the employee or agent on behalf of the Corporation in the performance of his or her duties in his or her capacity as such officer, employee or agent. "Official capacity" does not include service for any other foreign or domestic corporation or for any partnership, joint venture, trust, other enterprise or employee benefit plan when acting directly on behalf of such other corporation, partnership, joint venture, trust, enterprise or plan as a director, officer, employee, fiduciary or agent thereof.
- (6) "Party" means any person who was, is, or is threatened to be made, a named defendant or respondent in a proceeding by reason of the fact that such person is or was a director, officer or employee of the Corporation, and any person who, while a director, officer or employee of the Corporation, is or was serving

at the request of the Corporation as a director, officer, partner, trustee, employee, fiduciary, or agent of any other foreign or domestic corporation or of any partnership, joint venture, trust, other enterprise, or employee benefit plan.

- (7) "Proceeding" means any threatened, pending or completed action, suit or proceeding, or any appeal therein, whether civil, criminal, administrative, arbitratve or investigative (including any action by or in the right of the Corporation) and whether formal or informal.

(B) *Right to Indemnification.*

- (1) Standards of Conduct. Except as provided in Paragraph B(4) below, the Corporation shall indemnify any party to a proceeding against liability incurred in or as result of the proceeding if (a) such party conducted himself or herself in good faith, (b) such party reasonably believed (i) in the case of a director acting in his or her official capacity, that his or her conduct was in the Corporation's best interests, or at least not opposed to the Corporation's best interests, or (ii) in all other cases, that such party's conduct was not opposed to the Corporation's best interests, and (c) in the case of any criminal proceeding, such party had no reasonable cause to believe his or her conduct was unlawful. For purposes of determining the applicable standard of conduct under this Paragraph B (1), any party acting in his or her official capacity who is also a director of the Corporation shall be held to the standard of conduct set forth in clause B (1) (b) (i), even if such party is sued solely in a capacity other than as such director.
- (2) Employee Benefit Plan. A party's conduct with respect to an employee benefit plan for a purpose such party reasonably believed to be in the interests of the participants in or beneficiaries of the plan is conduct that satisfies the requirements of clause B (1) (b) (ii). A party's conduct with respect to an employee benefit plan for a purpose that such party did not reasonably believe to be in the interests of the participants in or beneficiaries of the plan shall be deemed not to satisfy the requirements of clause B (1) (a).
- (3) Settlement. The termination of any proceeding by judgment, order, settlement of conviction, or upon a plea of *nolo contendere* or its equivalent, is not of itself determinative that the party did not meet the applicable standard of conduct set forth in Paragraph B (1).
- (4) Indemnification Prohibited. Except as hereinafter set forth in Paragraph B(5), the Corporation may not indemnify a party under this Subsection B in connection with either (a) any proceeding by or in the right of the Corporation in which the party is or has been adjudged liable to the Corporation, or (b) any proceeding charging improper personal benefit to the party, whether or not involving action in the party's official capacity, in which the party is adjudged liable on the basis that personal benefit was improperly received by the party (even if the Corporation was not thereby damaged).
- (5) Court-Ordered Indemnification. Notwithstanding the foregoing, the Corporation shall indemnify a party if and to the extent required by the court conducting the proceeding, or by any other court of competent jurisdiction to which the party has applied, it is determined by such court, upon application by the party, that despite the adjudication of liability in the circumstances described in clause (a)

or (b) of Paragraph B(4) or whether or not the party met the applicable standard of conduct set forth in Paragraph B(1), and in view of all relevant circumstances, the party is fairly and reasonably entitled to indemnification for such expenses as the court deems proper in accordance with the Colorado Nonprofit Corporation Act.

- (6) Claims by or in the Right of Corporation. Indemnification permitted under this Subsection B in connection with a proceeding by or in the right of the Corporation shall be limited to reasonable expenses incurred in connection with the proceeding.
 - (7) Combined Proceedings. If any claim made by or in the right of the Corporation against a party is joined with any other claim against such party in a single proceeding, the claim by or in the right of the Corporation (and all expenses related thereto) shall nevertheless be deemed the subject of a separate and distinct proceeding for purposes of this Section 1 of Article XIII.
- (C) *Prior Authorization Required.* Any indemnification under Subsection B (unless ordered by a court) shall be made by the Corporation only if authorized in the specific case after a determination has been made that the party is eligible for indemnification in the circumstances because the party has met the applicable standard of conduct set forth in Paragraph B(1) and after an evaluation has been made as to the reasonableness of the expenses. Any such determination, evaluation and authorization shall be made by the board of directors by a majority vote of a quorum of such board, which quorum shall consist of all directors not parties to the subject proceeding, or by such other person or body as permitted by law.
- (D) *Success on Merits or Otherwise.* Notwithstanding any other provisions of this Article XIII, the Corporation shall indemnify a party to the extent such party has been wholly successful, on the merits or otherwise, including without limitation, dismissal without prejudice or settlement without admission of liability, in defense of any proceeding, against reasonable expenses incurred by such party in connection therewith.
- (E) *Advancement of Expenses.* The Corporation shall pay for or reimburse the reasonable expenses, or a portion thereof, incurred by a party in advance of the final disposition of the proceeding if:
- (1) the party gives the Corporation a written affirmation of such party's good-faith belief that he or she has met the standard of conduct described in Paragraph B(1);
 - (2) the party gives the Corporation a written undertaking, executed personally or on behalf of such party, to repay the advance if it is ultimately determined that the party did not meet such standard of conduct; and
 - (3) the board of directors, in the manner provided in Subsection C, authorizes a payment and determines that the facts then known to those making the determination would not preclude indemnification under this Section 1 of this Article XIII.

The undertaking required by Paragraph E(2) must be an unlimited general obligation of the party, but need not be secured and may be accepted without reference to financial ability to make repayment.

- (F) *Payment Procedures.* The Corporation shall promptly act upon any request for indemnification which request must be in writing and accompanied by the order of court or other reasonably satisfactory evidence documenting disposition of the proceeding in the case of indemnification under Subsection D or by the written affirmation and undertaking to repay as required by Subsection E in the case of indemnification under such section. If no disposition of such claim is made within ninety (90) days after written request for indemnification is made, the claimant may apply by way of civil action in any court of competent jurisdiction for adjudication as to the validity and extent of the claim. A party's expenses incurred in connection with successfully establishing such party's right to indemnification, in whole or in part, in any such proceeding shall also be paid by the Corporation.
- (G) *Insurance.* By action of the board of directors, notwithstanding any interest of the directors in such action, the Corporation may purchase and maintain insurance in such amounts as the board of directors deems appropriate to protect itself and any person who is or was director, officer, employee, fiduciary or agent of the Corporation, or who, while a director, officer, employee, fiduciary or agent of the Corporation, is or was serving at the request of the Corporation as a director, officer, partner, trustee, employee, fiduciary or agent of any other foreign or domestic corporation or of any partnership, joint venture, trust, other enterprise or employee benefit plan against any liability asserted against or incurred by such person in any such capacity or arising out of such person's status as such, whether or not the Corporation would have the power to indemnify such person against such liability under applicable provisions of law or this Article XIII. Any such insurance may be procured from any insurance company designated by the board of directors, whether such insurance company is formed under the laws of Colorado or any other jurisdiction, including any insurance company in which the Corporation has an equity or any other interest, through stock ownership or otherwise. The Corporation may create a trust fund, grant a security interest or use other means (including, without limitation, a letter of credit) to ensure the payment of such sums as may become necessary to effect indemnification as provided herein.
- (H) *Right to Impose Conditions to Indemnification.* The Corporation shall have the right to impose, as conditions to any indemnification provided or permitted in this Article XIII, such reasonable requirements and conditions as may appear appropriate to the board of directors in each specific case and circumstance, including but not limited to any one or more of the following:
- (1) that any counsel representing the party to be indemnified in connection with the defense or settlement of any proceeding shall be counsel mutually agreeable to the party and to the Corporation;
 - (2) that the Corporation shall have the right, at its option, to assume and control the defense or settlement of any claim or proceeding made, initiated or threatened against the party to be indemnified; and
 - (3) that the Corporation shall be subrogated, to the extent of any payments made by way of indemnification, to all of the indemnified party's right of recovery, and that the party to be indemnified shall execute all writings and do everything necessary to assure such rights of subrogation to the Corporation.
- (I) *Other Rights and Remedies.* The indemnification provided by this Section 1 of Article XIII shall be in addition to other rights to indemnification which a party may have or hereafter acquire by virtue of applicable statute.

- (J) *Applicability; Effect.* The indemnification provided in this Section 1 of Article XIII shall be applicable to acts or omissions that occurred prior to the adoption of this Section 1, shall continue as to any party entitled to indemnification under this Section 1 who has ceased to be a director, officer or employee of the Corporation or, at the request of the Corporation, was serving as and has since ceased to be a director, officer, partner, trustee, employee, fiduciary, or agent of any other domestic or foreign corporation, or of any partnership, joint venture, trust, other enterprise or employee benefit plan and shall inure to the benefit of the estate and personal representatives of each such person. The repeal or amendment of this Section 1 of Article XIII or of any section or provisions hereof that would have the effect of limited, qualifying or restricting any of the powers or rights of indemnification provided or permitted in this Article shall not, solely by reason of such repeal or amendment, eliminate, restrict or otherwise affect the right or power of the Corporation to indemnify any person, or affect any right of indemnification of such person, with respect to any acts or omissions that occurred prior to such repeal or amendment. All rights to indemnification under this Section 1 shall be deemed to be provided by a contract between the Corporation and each party covered hereby.
- (K) *Indemnification of Agents.* The Corporation shall have the right, but shall not be obligated, to indemnify any agent of the Corporation who is not otherwise covered by this Section 1 of Article XIII to the fullest extent permissible by the laws of Colorado. Unless otherwise provided in any separate indemnification arrangement, any such indemnification shall be made only as authorized in the specific case in the manner provided in Subsection C.
- (L) *Savings Clause; Limitation.* If this Section 1 of Article XIII or any paragraph or provision hereof shall be invalidated by any court on any ground, then the Corporation shall nevertheless indemnify each party otherwise entitled to indemnification hereunder to the fullest extent permitted by law or any applicable provision of this Section 1 that shall not have been invalidated. Notwithstanding any other provision of these Bylaws, the Corporation shall neither indemnify any person nor purchase any insurance in any manner or to any extent that would jeopardize or be inconsistent with the qualification of the Corporation as an organization described in section 501 (c)(3) of the Internal Revenue Code of 1986, as amended ("Code").

SECTION 2. *Deposits and Withdrawals of Funds.* All funds of the Corporation not otherwise employed shall be deposited in such banks, trust companies or other reliable depositories as the board of directors may direct. Any withdrawals of funds and checks shall be governed by policies established by the Finance Committee, if any, and approved by the board of directors.

SECTION 3. *Authorization.* The board of directors may authorize any officer or officers, agent or agents of the Colorado Nonprofit Association, in addition to the officers so authorized by these bylaws, to enter into any contract or execute and deliver any instrument in the name of, and on behalf of, the Corporation. Such authority may be general or confined to specific instances.

SECTION 4. *Fiscal year.* The fiscal year of the Colorado Nonprofit Association will be January 1 through December 31.

SECTION 5. *Contracts with Officers and Directors.* No officer or director of the Colorado Nonprofit Association shall be interested, directly or indirectly, in any contract relating to the operations conducted by it, nor in any contract for furnishing services or supplies to it, unless such contract is authorized by a majority of the board of directors at a meeting at which the presence of the interested

person is not necessary for such authorization, and the fact and nature of such interest is fully disclosed or known to the directors present at the meeting at which the contract is to be authorized.

ARTICLE XIV. AMENDMENTS

SECTION 1. *Amendments.* After ten (10) days' written notice to the directors, the board of directors may amend these bylaws at any meeting of the board of directors. Any number of amendments or an entire revision of the bylaws may be submitted and voted upon at a single meeting of the board of directors. Bylaw amendments will be adopted at such a meeting upon receiving a two-thirds (2/3) affirmative vote of the directors voting on each amendment.

ARTICLE XV. DISSOLUTION

SECTION 1. *Dissolution.* In the event of the dissolution of the Colorado Nonprofit Association and after the payment or the provision for payment of all the liabilities of the Corporation, the board in its sole discretion shall transfer all net assets of the Colorado Nonprofit Association exclusively for the purpose of the Colorado Nonprofit Association in shares to be determined by the board of directors to the Colorado Nonprofit Association members which have Internal Revenue Service 501(c)(3) tax exempt status during the year the dissolution occurs. The Corporation shall not be required to make pro rata distributions to all eligible members. Any assets not disposed of will be disposed of by a court of competent jurisdiction in the county in which the principle office of the Corporation is then located.

Bylaws revised May 10, 2013.