BYLAWS OF THE SOUTH BAY COMMUNITY CENTER INC.
A CALIFORNIA PUBLIC BENEFIT CORPORATION
Adopted October 19, 2026

Article 1: Name

The name of this Corporation is South Bay Community Center, Inc. (SBCC)

Article 2: Mission Statement

2.01 Our mission is to promote a sense of community by insuring the SBCC is available for cultural, social, health, educational and recreational services, without discrimination, to the diverse community of Los Osos/Baywood Park.

2.02 The specific purpose for which the SBCC is organized is the maintenance and operation of a community building for the Los Osos/Baywood Park community of California, the use of which shall be dedicated to members of the Los Osos/Baywood Park community, including equality for all, without discrimination. The SBCC is a California nonprofit public benefit corporation and is not for the private gain of any individual or group.

Article 3: Offices

3.01 Principle Office

The principle office of the Corporation for transaction of its business is located at 2180 Palisades Avenue, Los Osos, San Luis Obispo County, California, 93402.

Article 4: Members

4.01 No Members

The SBCC shall not have any members.

4.02 Power of Board of Directors

Any action shall require approval of the Board of Directors. All rights that would otherwise vest under the Non-Profit Public Benefit Corporation Law in members shall instead vest in the Directors.

Article 5: Directors

5.01 Number

The SBCC shall have no less than seven and up to twelve (12) Directors. The Directors shall collectively comprise and be known as the Board of Directors or Board.

5.02 Director Positions

(a) The Directors (General Directors) shall be community-at-large representatives of the community of Los Osos/Baywood Park, and shall be residents of Los Osos/Baywood Park, as designated by the boundaries of the Los Osos Community Services District (LOCSD), or be representatives of an organization based in the area defined above.

(b) Vacancies in the General Director positions shall be posted on the SBCC website. Interested candidates shall submit a completed General Director Application form to the President of the Board of Directors who shall present it to the General Board at a regularly scheduled meeting for review and approval to move a candidate forward to probationary status.
Community at large probationary candidates shall then be invited to attend two meetings in a non-voting status. Upon a majority vote of the current Directors present, with the candidate excused for the discussion and vote, the candidate shall become a full member at their third meeting.

5.03 Terms of Directors

In order to foster continuity on the Board of Directors, the following procedures will be followed:

(a) The Directors shall each serve three-year terms of office at which time they may apply for a consecutive three-year term by the application process specified in section 5.02 (f). Directors whose term is ending shall make their intentions to vacate their position or follow the application process for a new three-year term.

(b) For computation of the term of office, the term year shall be counted from May 1st to April 30th. In the event that a Director is elected to fill a vacancy at a point other than the annual meeting held in April, the partial term shall begin the date of election and end March 30th . The elected three-year term shall then commence April 1st the following year.

(c) When a Board member becomes an officer, their elected term remains in effect for their seat on the Board regardless of their position on the Executive Committee.

(d) For the 2027-28 year only, since the non-elected Directors will be eliminated, these directors can run for regular Board Director positions on submission of their application and stand for election at the annual election meeting.

5.04 Compensation

The Directors shall serve without compensation. However, the Board in its discretion may authorize reimbursement of a director's reasonable out-of-pocket expenses with prior approval of the Board.

5.05 Conflict of Interest

Reference Appendix A attached to these Bylaws for the Conflict-of-Interest Policy.

Article 6: Directors' Meetings

6.01 Annual Meeting

(a) The Board of Directors shall meet annually for strategic planning and to elect Officers who are also known as Executive Directors. Such annual meeting shall be held during the month of April of each year, at such time and at such place as determined by the Board.

(b) Nominations for Executive Directors are received from the Board of Directors at, or immediately following, the March Board meeting. Agreement to serve shall be stated by Nominee(s) at least one week prior to the Annual Meeting in April for a viable ballot to be presented. Terms shall begin May 1st and continue through April 30th.
The nomination and election of General Directors shall be pursuant to procedures as are from time to time established by the Board of Directors

(c) The Directors shall have such powers and perform such duties as are prescribed by the Bylaws and California Non-Profit Benefit Corporation Law.

6.02 General Meetings

Regular meetings of the Board shall be held monthly, at a day and time set by the Board. Once a regular time and place have been established or changed, notice of the first such regular meeting shall be given at least four days prior thereto if given by first class mail, postage prepaid, or 48 hours (about 2 days) prior thereto if delivered personally or by telephone or e-mail. Thereafter, no notice of such regular meeting need be given unless and until there is a change in the time and/or place of the regular meeting. General meetings shall last no longer than 2 hours unless extended but may be extended for an agreed upon time on the vote of the Board members in attendance if a quorum is present to conduct business.

6.03 Executive Meeting

Meetings of the Executive Committee shall include the Executive Committee members, any other interested Board members, and the General Manager, in a non- voting capacity. Meetings shall be held a week before each Board meeting, to establish the agenda for the coming General Board Meeting. This may be done virtually as an alternative to meeting in person. All Board members shall receive notification of a virtual meeting alternative with the option to join the meeting. Should the established meeting date and/or time be changed, all Board members shall be notified by email.

6.04 Special Meetings

Any Executive Director or any two General Directors may call special meetings of the Board for urgent time-sensitive items requiring a vote that cannot be met by the next scheduled General Board meeting. Special meetings shall be held with a four-day notice by first class mail, postage prepaid, or on 48-hour notice delivered personally, by telephone or e-mail.

Article 7: Meeting Procedures

7.01 Quorum

A majority of the Directors then in office shall constitute a quorum of the Board of Directors for the transaction of business.

7.02 Transactions of the Board

Except as otherwise provided in the Articles, in these Bylaws, or by the law, every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present shall be the act of the Board of Directors.

7.03 Conduct of Meetings

(a) The President or, in his or her absence, the Vice-President or, in his or her absence, any Director selected by the Directors present shall preside at meetings of the Board of Directors. The Secretary of the SBCC or, in the Secretary's absence, any person appointed by the presiding officer shall act as Secretary of the Board. Members of the Board of Directors may participate in a meeting using conference telephone or similar communications equipment, including online meetings such as Zoom, so long as all members participating in such meeting can hear one another. Such participation shall constitute personal presence at the meeting. Solely online meetings such as Zoom meetings may be held as long as a majority of Board members approve.

(b) Conduct of Business:
The business of the Board shall be conducted by using accepted business format as follows: Calls for agenda items shall be made in advance of the meeting with add-ons allowed at the start of each meeting. Each agenda item shall be presented to the Board followed by discussion with a question & answer period. With a quorum present, a motion shall be made and seconded. The President shall call for any further discussion or an amended motion by the originator of the initial motion. A vote shall then be called by the President with those in favor, opposed or abstaining indicating by a show of hands. A motion shall be carried by a simple majority of those present.

(c) Code of Conduct:
All members shall agree to the Code of Conduct as indicated by signature prior to assuming a position on the Board (Addendum B)

7.04 Adjournment

A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. If the meeting is adjourned for more than 24 hours, notice of the 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.

7.05 Action Without Meeting

Any action required or taken by the Board of Directors may be taken without a meeting if all members of the Board of Directors individually or collectively consent in writing to such action. Such written consent shall be filed with the minutes of the proceedings of the Board of Directors. Such action by written consent shall have the same force and effect as the unanimous vote of such Directors.

Article 8: Vacancies on the Board

8.01 Reasons

Vacancies on the Board of Directors shall exist on the resignation, inability to continue on the Board or removal of any Director; whenever the number of Directors authorized is increased; or on the failure of the Board in any election to elect the full number of Directors authorized.

8.02 Resignation of Director

A Director may resign effective on giving written notice to a member of the Executive Committee of Directors of the SBCC. If the resignation is effective at a future time, a successor may be elected to take office when the resignation becomes effective.

8.03 Removal of Director

The Board of Directors may declare vacant the office of a Director on the occurrence of any of the following events:

(a) The Director has been declared of unsound mind by a final order of a court.

(b) The Director has been absent from more than six(6) meetings in a business year or three (3) consecutive meetings per year (May 1st-April 30th) without the approval of the Executive Committee of the Board.

(c) Any Director may be removed for failing to adhere to the conditions of serving on the Board if the Board of Directors approves such removal.

Article 9: Executive Committee

9.01 Number and titles

The Executive Committee shall be composed of the President, Vice-President, Secretary, Chief Financial Officer, and such other members of the Board as are appointed by the President or approved by the Board of Directors. The Executive Committee shall perform such duties as are set forth herein and as the Board of Directors may from time to time direct. The duties shall include, but are not necessarily limited to, taking action on issues that require immediate action between Board meetings and generally overseeing the day-to-day operation of the SBCC.

9.02 Election

Executive Committee members shall be elected for a one-year term and be re-elected to one additional consecutive term unless otherwise approved by the Board for an extension.

9.03 The President

(a) The President shall be chief executive officer of the SBCC and shall, subject to the control of the Board of Directors, have supervision, direction, and control of the business and affairs of the SBCC. Such officer shall perform all duties incident to the office of President and such other duties as may exercise any right to vote or execute a proxy to vote shares of stock of any bonds, debentures, or

other evidence of indebtedness of any other corporation or corporations owned or possessed by the SBCC.

(b) Any candidate for President shall have a minimum of one year prior active experience serving as a member of the Board of Directors.

9.04 Vice-President

In the absence of the President or in the event of his or her inability or refusal to act, 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 of the President. The Vice-President shall have such other powers and perform such other duties as may be prescribed by law, by the Articles of Incorporation, or by these Bylaws, or as may be prescribed by the Board of Directors.

9.05 Secretary

The Secretary shall keep or cause to be kept at the principal office of the SBCC, or such other place as the Board of Directors may order, a book of minutes of all meetings of the Board of Directors. The minutes shall be created and maintained in a secure electronic format using a program in the account of the SBCC with shared access by members of the Executive Committee.

9.06 Chief Financial Officer

The Chief Financial Officer (CFO) shall keep and maintain in written form or in any other form capable of being converted into written form adequate and correct books and records of account of the properties and business transactions of the SBCC, including accounts of its assets, liabilities, receipts, disbursements, gains, and losses. The books and records of account shall at all times be open to inspection by any Director of the SBCC. The CFO shall render to the President and the Directors, on request, an account of all such transactions and the financial condition of the SBCC. The CFO shall perform such other and further duties as may be required by Directors or by these Bylaws.

Article 10: Fiscal Management

10.01 Annual Budget

Prior to the beginning of the fiscal year, May 1st through April 30th, the Executive Committee will prepare a budget of income and expenses projected for the coming year. The proposed budget shall be presented to the Board for approval prior to beginning of the fiscal year. The budget shall indicate approval for expenditures within the approved amounts for operational purposes. Overages in any category shall be reported to the Executive Committee and brought to the Board for any action required.

10.02 Financial Operations

(a) Financial accounts may be established as directed by the Board for the purposes of conducting business operations, meeting financial obligations and for purposes of investment of capital for the long-term benefit of SBCC. Such accounts shall require three (3) signatories from the Executive Committee including the CFO. Two signatures shall be required for withdrawals, investment fund transactions, changes in account status, or transactions of in excess of $500.

(b) Monthly reports of financial status including balances, transactions and any outstanding issues shall be made to the Board of Directors.

(c) All bills shall be paid by the CFO or designee according to the approved budget. Exceptions shall be reported to the Board as part of the CFO report. Payments more than $500 drawn on a check shall require the signature of two designates signatories.

(d) Filing of required tax information along with any required payment shall be made by the required filing date utilizing the professional services of a Certified Public Accountant with experience in not-for-profit organizations. The Board shall be informed of the tax filing status and any issues therein.

Article 11: Audits

The Board shall cause the books and records of the SBCC to be independently audited a minimum of every five years by an authorized independent bookkeeper.

Article 12: Business Operations

(a) Business Operations of SBCC including facility rental, maintenance, and repair; employee management, collection of or refunds of payment and deposits, and bank deposits shall be carried out by the Office Manager by the procedures set forth in the Policy & Procedure Manual.

Article 12: Indemnification of Directors, Officers, Employees, and other Agents

12.01 Definitions

For the purpose of this Article:

(a) "Agent" means any person who is or was a Director, Officer, employee, or other agent of the SBCC, or is or was serving at the request of the SBCC as a Director, Officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, or was a director of a corporation that was a predecessor corporation of the SBCC or of another enterprise at the request of the predecessor corporation.

(b) "Proceeding" means any threatened, pending or completed action or proceeding, whether civil,

criminal, administrative or investigative.

(c) "Expenses" includes, without limitation, all attorney fees, costs, and any other expenses incurred in the defense of any claims or proceeding against an agent by reason of his or her position or relationship as agent and all attorneys' fees, costs and other expenses incurred in establishing a right to indemnification under this article.

12.02 Successful Defense by Agent

To the extent that an agent of this Corporation has been successful on the merits in the defense of any proceeding referred to in this article, or in the defense of any claim, issue, or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection with the claim. If an agent either settles any such claim or sustains a judgement rendered against him, then the provision of Sections 12.03 through 12.05 shall determine whether the agent is entitled to indemnification.

12.03 Actions Brought by Persons Other Than The SBCC

Subject to the required findings to be made pursuant to Paragraph 12.05 below, the SBCC shall indemnify any person who was or is a party, or is threatened to be made a party, to any proceeding other than an action brought by, or on behalf of, the SBCC, or by an Officer, Director or person granted relater status by the Attorney General, or by the Attorney General on the grounds that the defendant Director was or is engaging in self-dealing within the meaning of California Corporations Code Section 5233, or by the Attorney General or a person granted relater status by the Attorney General for any breach of duty relating to assets held in charitable trust, by the reason of the fact that such person is or was an agent of the SBCC, for all expenses, judgements, fines, settlements and other amounts actually and reasonably incurred in connection with the proceeding.

12.04 Actions Brought By or On Behalf of the SBCC

(a) Claims settled out of court. If any agent settles or otherwise disposes of a threatened or pending action brought by or on behalf of the SBCC, with or without court approval, their agent shall receive no indemnification for either amounts paid pursuant to the terms of the settlement or other disposition or for any expenses incurred in defending against the proceeding, unless it is settled with the approval of the Attorney General.

(b) Claims and Suits awarded against agent. The SBCC shall indemnify any person who was or is a party to, or is threatened to be made a party to any threatened, pending or completed action brought by or on behalf of the SBCC by reason of the fact that the person is or was an agent of the SBCC, for all expenses actually and reasonably incurred in connection with the defense of that action, provided that both of the following are met:

(i) The determination of good faith conduct required by Section 12.05 below must be made in the manner provided for in that section: and

(ii) Upon application, the court in which the action was brought must determine that, in view of all of the circumstances of the case, the agent should be entitled to indemnity for the expenses incurred. If the agent is found to be so intitled, the court shall determine the appropriate amount of expenses to be reimbursed.

12.05 Determinations of Agents Good Faith Conduct

The indemnification granted to an agent in Paragraphs 12.03 and 12.04 above is conditioned on the following:

(a) Required Standard of Conduct. The agent seeking reimbursement must be found, in the manner provided below, to have acted in good faith, in a manner he or she believed to be in the best interest of the SBCC, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use in similar circumstances. The termination of any proceeding by judgment, order, settlement, conviction or on a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith or in a manner which he or she reasonably believed to be in the best interest of the SBCC or that he or she had reasonable cause to believe that his or her conduct was unlawful. In the case of a criminal proceeding, the person must have had no reasonable cause to believe that his or her conduct was unlawful.

(b) Manner of Determination of good Faith Conduct. The determination that an agent did act in a manner complying with Paragraph (a) above shall be made by:

(i) The Board of Directors by a majority vote of a quorum consisting of Directors who are not parties to the proceeding; or

(ii) The court in which the proceeding is or was pending. Such determination may be made on application brought by the SBCC or the agent or the attorney or other person rendering a defense to the agent, whether or not the SBCC proposes the application by the agent, attorney, or other person.

12.06 Limitations

No indemnification or advance shall be made under this Article, except as provided in Sections 12.02 or 12.04 (b)(ii), in any circumstances when it appears:

(a) That the indemnification or advance would be inconsistent with a provision of the Articles, a resolution of the Directors, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceedings in which the expenses were incurred, or other amounts were paid, which prohibits or otherwise limits indemnification, or

(b) That the indemnification would be inconsistent with any condition expressly imposed by a court in approving a settlement.

12.07 Advance of Expenses

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

12.08 Contractual Rights of Non-Directors and Non-Officers

Nothing contained in this Article shall affect any right to indemnification to which persons other than

Directors and Officers of the SBCC, or any subsidiary hereof, may be entitled by contract or otherwise.

12.09 Insurance

The Board of Directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the SBCC against any liability under the provisions of this Article.

Article 13: Conflict of Interest

The Conflict-of-Interest policy is amended to and made a part of these Bylaws by reference, as Amendment A at the end of these Bylaws.

Article 14: Change of Bylaws

These Bylaws can be amended at any time by a majority vote of the Board.

CERTIFICATE OF ADOPTION OF BYLAWS
South Bay Community Center, Inc.

I, the undersigned, do hereby certify:

1. That I am the duly elected and acting Secretary of South Bay Community Center Inc., a California nonprofit public benefit corporation.
2. That the foregoing Bylaws constitute the Bylaws of said corporation as adopted by the Directors of said corporation on October 19, 2026.

In witness whereof, I have hereunto subscribed by name this 20th day of October, year of 2026.

Violeta B. Vallin

Secretary, South Bay Community Center 2026-2027

Appendix to the South Bay Community Center Bylaws

Amendment A: Conflict of Interest Policy:

I. Purpose

This Conflict of Interest Policy is to protect the tax-exempt classification of the South Bay Community Center (Center). This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest as applicable to nonprofit and charitable organizations. The Fair Political Practices Commission (FPPC) has adopted a regulation (2 California Code of Regulations § 18730) which contains the terms of a standard conflict of interest code, which can be incorporated by reference in an agency's code. The terms of § 18730 and any amendments to it adopted by the FPPC are hereby incorporated by reference into this Conflict of Interest policy. This regulation and the text here designating officials and employees and establishing disclosure categories shall constitute the conflict of interest code of the Center.
The full text of Section 18730, together with any amendment thereto, may be found at: http://www.fppc.ca.gov/legal/regs/current/18730.pdf.

II. Procedures

1) Duty to Disclose
In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.
2) After disclosure of any financial interest and all material facts, the board or committee shall decide if a conflict of interest exists.
3) The Board shall appoint a disinterested person or committee to investigate proposed transactions or arrangements to verify they will not give rise to a conflict of interest.
4) If the Board determines an actual or possible conflict of interest exists, it shall take appropriate corrective actions.

III. Records of Proceedings:

The minutes of the governing board and all committees with board delegated powers shall contain:
The names of the persons who disclosed or were found to have a financial interest in connection with a possible conflict of interest, the nature of the financial interest, any actions taken to determine a conflict is present, and the Board's decision as to whether a conflict exists.

IV. Compensation:

A voting member of the governing board, or of any committee, whose jurisdiction includes compensation matters, or who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to the members compensation.

V. Annual Statements:

Each director, principal officer, and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

a) Has received a copy of the conflict of interest policy,
b) Has read and understands the policy
c) Has agreed to comply with the policy and
d) Understands the Organization is charitable and engages primarily in charitable purposes.

VI. Periodic Reviews:

Should the Center ever compensate directors, employees, contractors, the Center shall conduct periodic reviews to ensure there is no conflict of interest and that the compensation is reasonable.

When conducting periodic reviews, the SBCC may use outside advisors. If outside experts are used, their use shall not relive the governing board of its responsibility for ensuring periodic reviews are conducted.