BYLAWS OF SHASTA TRADES NONPROFIT

A California Nonprofit Public Benefit Corporation

Adopted on this 6th day of September, 2026

ARTICLE 1: NAME AND OFFICES

Section 1.1 Name. The name of this corporation shall be **Shasta Trades Nonprofit** (the "Corporation").

Section 1.2 Principal Office. The principal office of the Corporation shall be located in Siskiyou County, California. The Board of Directors may establish other offices as they deem advisable.

Section 1.3 Registered Agent. The Corporation shall maintain a registered agent and registered office in California as required by law.

ARTICLE 2: PURPOSE

Section 2.1 Purpose. The Corporation is organized exclusively for charitable, educational, and public benefit purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended.

Section 2.2 Mission. The specific mission of the Corporation is:

> To provide affordable, high-quality trade services to our lovely Mount Shasta community, to offer mentors work they love, and to help the next generation become licensed contractors through paid apprenticeships.

Section 2.3 Public Benefit. The Corporation is organized for the benefit of the public. The beneficiaries of the Corporation include community members receiving trade services, mentors seeking meaningful work, and students pursuing careers as licensed contractors.

Section 2.4 Limitations. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation. The

Corporation shall not participate in, or intervene in, any political campaign on behalf of or in opposition to any candidate for public office.

ARTICLE 3: MEMBERS

Section 3.1 Sole Member. The Shasta Trades Charitable Trust (the "Trust") shall be the sole member of the Corporation.

Section 3.2 No Other Members. The Corporation shall have no members other than the Trust. The Trust shall exercise all rights and powers of a member under California law.

Section 3.3 Member Meetings. The Trust, as the sole member, may hold meetings at such times and places as the Trust shall determine. Notice of any member meeting shall be given at least ten (10) days prior to the meeting.

Section 3.4 Quorum for Member Meetings. The Trust, as the sole member, shall constitute a quorum for the transaction of business at any meeting of the members.

Section 3.5 Action by Written Consent. Any action required or permitted to be taken by the members may be taken without a meeting if the Trust consents in writing to the action.

ARTICLE 4: BOARD OF DIRECTORS

Section 4.1 General Powers. The activities and affairs of the Corporation shall be managed and all corporate powers shall be exercised by or under the direction of the Board of Directors.

Section 4.2 Number of Directors. The Board of Directors shall consist of no fewer than three (3) and no more than fifteen (15) directors. The exact number of directors within this range shall be determined from time to time by resolution of the Board of Directors, subject to the approval of the Trust.

Section 4.3 Qualifications. Each director shall be a natural person at least eighteen (18) years of age. No director shall have been convicted of a felony involving fraud, embezzlement, or other financial crimes. Directors need not be residents of the State of California.

Section 4.4 Election and Term. Directors shall be elected by the Trust, as the sole member, and shall serve a term of **two (2) years**. Directors may serve successive terms. The Board of Directors may provide for staggering the terms of directors by dividing the total number of directors into groups of one or more directors. [reference:9]

Section 4.5 Removal. Any director may be removed, with or without cause, by the Trust, as the sole member, at any time. [reference:10]

Section 4.6 Vacancies. Vacancies on the Board of Directors may be filled by the Trust, as the sole member. A director appointed to fill a vacancy shall serve for the remainder of the unexpired term.

Section 4.7 Regular Meetings. Regular meetings of the Board of Directors shall be held at least quarterly. The Board shall determine the time and place of regular meetings.

Section 4.8 Special Meetings. Special meetings of the Board of Directors may be called by the President, by any two directors, or by the Trust.

Section 4.9 Notice of Meetings. Notice of regular meetings shall be given at least seven (7) days prior to the meeting. Notice of special meetings shall be given at least forty-eight (48) hours prior to the meeting. Notice may be given by mail, email, or telephone.

Section 4.10 Quorum. A majority of the directors then in office shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. The Board may, by resolution, set a lower quorum, but in no event shall the quorum be less than one-third of the authorized number of directors. [reference:11]

Section 4.11 Voting. Each director shall have one vote. Except as otherwise provided by law or these Bylaws, the act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 4.12 Action Without Meeting. Any action required or permitted to be taken by the Board of Directors may be taken without a meeting if all directors consent in writing to the action.

Section 4.13 Compensation. Directors shall serve without compensation, but may be reimbursed for reasonable expenses incurred in the performance of their duties.

Section 4.14 Interested Persons. No more than forty-nine percent (49%) of the directors then in office shall be "interested persons" as defined by California law. An "interested person" is any director who is also an employee of the Corporation, or any director who has a material financial interest in a transaction with the Corporation.

Section 4.15 Emergency Provisions. In the event of an emergency that makes it impracticable to call a meeting of the Board of Directors in the manner prescribed by these Bylaws, the President or any two directors may call an emergency meeting. Notice of an emergency meeting shall be given as promptly as circumstances permit. At an emergency meeting, the officers present, in order of rank, may be deemed directors as necessary to achieve a quorum. [reference:12]

ARTICLE 5: OFFICERS

Section 5.1 Officers. The officers of the Corporation shall be a President, a Secretary, and a Treasurer. The Board of Directors may elect or appoint such other officers as it deems advisable.

Section 5.2 President. The President shall be the chief officer of the Corporation and shall preside at all meetings of the Board of Directors. The President shall have general supervision of the affairs of the Corporation and shall perform such other duties as may be prescribed by the Board of Directors.

Section 5.3 Secretary. The Secretary shall keep accurate records of all meetings of the Board of Directors and maintain all corporate records. The Secretary shall ensure that all required reports and filings are properly made. The Secretary shall perform such other duties as may be prescribed by the Board of Directors.

Section 5.4 Treasurer. The Treasurer shall have charge and custody of, and be responsible for, all funds and securities of the Corporation. The Treasurer shall ensure that accurate financial records are maintained and that financial reports are provided to the Board of Directors. The Treasurer shall perform such other duties as may be prescribed by the Board of Directors.

Section 5.5 Prohibition on Concurrent Service. No person serving as Secretary or Treasurer may serve concurrently as President. [reference:13]

Section 5.6 Election, Term, and Removal. Officers shall be elected by the Board of Directors and shall serve at the pleasure of the Board. Officers may be removed, with or without cause, by the Board of Directors at any time.

Section 5.7 Vacancies. Vacancies in any office may be filled by the Board of Directors.

Section 5.8 Compensation. Officers may receive reasonable compensation for services rendered to the Corporation, provided that such compensation is approved by a disinterested majority of the Board of Directors.

ARTICLE 6: COMMITTEES

Section 6.1 Establishment. The Board of Directors may establish one or more committees to assist the Board in carrying out its responsibilities.

Section 6.2 Executive Committee. The Board of Directors may appoint an Executive Committee consisting of the President and two or more directors. The Executive Committee shall have the power to act on behalf of the Board between meetings, except as limited by law.

Section 6.3 Audit Committee. If the Corporation's gross revenues exceed two million dollars ($2,000,000) in any fiscal year, the Board of Directors shall establish an Audit Committee in accordance with the California Nonprofit Integrity Act. The Audit Committee shall be comprised exclusively of independent members appointed by the Board of Directors, and shall not include any staff, the President, or the Treasurer. [reference:14][reference:15]

Section 6.4 Finance Committee. The Board of Directors may appoint a Finance Committee to oversee the Corporation's budgeting, financial planning, and investment activities.

Section 6.5 Committee Meetings. Committees shall meet at such times and places as they shall determine. A majority of the members of a committee shall constitute a quorum for the transaction of business.

ARTICLE 7: CONFLICT OF INTEREST

Section 7.1 Disclosure. Any director or officer who has a conflict of interest with respect to any matter before the Board of Directors shall disclose the conflict to the Board.

Section 7.2 Recusal. Any director or officer who has a conflict of interest shall recuse themselves from discussion and voting on the matter and shall not participate in any decision related to the matter.

Section 7.3 Annual Disclosure. Each director and officer shall sign a conflict of interest disclosure statement annually, in accordance with the IRS conflict of interest policy requirements for 501(c)(3) organizations.

Section 7.4 No Self-Dealing. No director or officer shall engage in any transaction with the Corporation that constitutes self-dealing under applicable law. Any transaction between a director or officer and the Corporation shall be at arm's length and for fair market value, and shall be approved by a disinterested majority of the Board of Directors.

Section 7.5 IRS Compliance. The Board of Directors shall adopt and maintain a written conflict of interest policy that complies with the requirements of the Internal Revenue Service for 501(c)(3) organizations.

ARTICLE 8: INDEMNIFICATION AND LIMITATION OF LIABILITY

Section 8.1 Indemnification. To the fullest extent permitted by California law, the Corporation shall indemnify and hold harmless each director, officer, employee, and agent of the Corporation against any claim, liability, or expense arising from actions taken in good faith and in furtherance of the Corporation's charitable purposes, except for actions constituting gross negligence, willful misconduct, or self-dealing.

Section 8.2 Advancement of Expenses. The Corporation may advance expenses to any director, officer, or employee in connection with a proceeding, provided that the person agrees to repay the advanced amounts if it is ultimately determined that the person is not entitled to indemnification.

Section 8.3 Limitation of Liability. To the fullest extent permitted by California Corporations Code Section 5047.5, no director or officer of the Corporation shall be personally liable to the Corporation or its members for monetary damages for breach of fiduciary duty as a director or officer, except for liability for any of the following: (a) a breach of the duty of loyalty; (b) acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law; or (c) any transaction from which the director or officer derived an improper personal benefit.[reference:16]

Section 8.4 Insurance. The Corporation may purchase and maintain Directors & Officers (D&O) liability insurance to protect directors, officers, employees, and agents of the Corporation against liability arising from actions taken in good faith.

ARTICLE 9: PROHIBITED ACTIVITIES

Section 9.1 Private Benefit. No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, any private individual, director, officer, or other private person, except that the Corporation may pay reasonable compensation for services rendered and may make payments and distributions in furtherance of its charitable purposes.

Section 9.2 Political Activity. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation. The Corporation shall not participate in, or intervene in, any political campaign on behalf of or in opposition to any candidate for public office.

Section 9.3 Loans. No loans shall be made by the Corporation to any director, officer, or employee of the Corporation.

ARTICLE 10: ASSET DEDICATION AND DISSOLUTION

Section 10.1 Asset Dedication. All assets of the Corporation are irrevocably dedicated to the charitable purposes set forth in these Bylaws.

Section 10.2 Dissolution. Upon the dissolution of the Corporation, the Board of Directors shall, after paying or making provision for payment of all debts and liabilities of the Corporation, distribute all remaining assets of the Corporation to the Trust or, if the Trust no longer exists, to one or more organizations that are exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code and that have a charitable purpose substantially similar to the Corporation's mission.

Section 10.3 Court Approval. Any distribution upon dissolution shall be made in accordance with applicable California law and, if required, with the approval of a court of competent jurisdiction.

ARTICLE 11: CORPORATE RECORDS AND REPORTS

Section 11.1 Corporate Records. The Corporation shall maintain accurate and complete records of all corporate activities, including minutes of meetings of the Board of Directors, financial records, and all filings with government agencies. Records shall be retained for a period of at least seven (7) years, or longer if required by law.

Section 11.2 Quarterly Reports. The Corporation shall provide quarterly reports to the Trust, as the sole member. Each quarterly report shall include:

- (a) A summary of program activities and accomplishments;
- (b) A financial report showing revenue, expenses, and the Corporation's financial position;
- (c) An update on student progress and mentorship activities;
- (d) A summary of community impact, including number of clients served and services provided; and
- (e) Such other information as the Trust may reasonably request.

Section 11.3 Annual Report. The Corporation shall provide an annual report to the Trust summarizing the Corporation's activities, finances, and accomplishments for the preceding fiscal year.

Section 11.4 Inspection of Records. All corporate records shall be available for inspection by the Trust, as the sole member, at any reasonable time upon request.

ARTICLE 12: FISCAL YEAR

Section 12.1 Fiscal Year. The fiscal year of the Corporation shall end on December 31 of each year, unless otherwise determined by the Board of Directors with the approval of the Trust.

ARTICLE 13: AMENDMENTS

Section 13.1 Amendment by Board. These Bylaws may be amended by the affirmative vote of a majority of the directors then in office, provided that notice of the proposed amendment has been given to all directors at least seven (7) days prior to the meeting at which the amendment is to be considered.

Section 13.2 Member Approval. The Trust, as the sole member, shall have the ultimate authority to adopt, amend, or repeal any bylaw. [reference:17]Any amendment that would materially affect the rights of the Trust, as the sole member, shall require the approval of the Trust.

Section 13.3 Consistency with Law. No amendment shall be effective if it would cause the Corporation to fail to qualify for tax-exempt status under Section 501(c)(3) of the Internal Revenue Code or to violate California law.

ARTICLE 14: SEVERABILITY

Section 14.1 Severability. If any provision of these Bylaws is held to be invalid or unenforceable for any reason, the remaining provisions shall continue in full force and effect.

Section 14.2 Reformation. If any provision of these Bylaws is held to be invalid or unenforceable, the Board of Directors shall seek to reform the provision to the minimum extent necessary to make it valid and enforceable while preserving the Corporation's charitable purpose.

ARTICLE 15: EXECUTION

Section 15.1 Adoption. These Bylaws were adopted by the initial Board of Directors on the date first written above.

IN WITNESS WHEREOF, the undersigned, being the initial directors of the Corporation, have adopted these Bylaws.

- **Christopher Carrington**, Director
- **Megha Marhatta**, Director
- **Cindi Joy Staller**, Director