

The bylaws of
PlasticFreeRestaurants.org
a California non-profit corporation

ARTICLE I. NAME OF ORGANIZATION

The name of the corporation is PlasticFreeRestaurants.org.

ARTICLE II. CORPORATE PURPOSE

Section 1. Nonprofit Purpose

This Corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. This Corporation is organized, under California Nonprofit Public Benefit Corporation Law, exclusively for charitable, religious, educational, and scientific purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

Section 2. Specific Purpose

PlasticFreeRestaurants.org eliminates petroleum-based, single-use plastic from restaurants and other food and drink establishments by temporarily subsidizing the cost *difference* between the plastic those establishments currently use and the biodegradable alternatives they agree to use as replacements.

The specific objectives and purpose of this organization shall be:

- a. to identify, educate, and recruit food and drink establishments that currently use petroleum-based, single-use plastic items, and temporarily subsidize the cost difference between the petroleum-based items and the biodegradable alternatives that the establishments agree to use as replacements;
- b. to build a database of “plastic-free” food and drink establishments across the United States – including those that have decided to forgo petroleum-based single-use

items of their own volition – for the eventual purpose of identifying such establishments on social media platforms, restaurant review sites, and other media;

- c. to approach the primary manufacturers and/or distributors of biodegradable single-use food service items for the purpose of negotiating price-drop commitments based on the number of restaurants that decide to forgo petroleum-based plastic;
- d. to engage with and educate the public about the deleterious health and environmental consequences of using petroleum-based plastic.

ARTICLE III. MEMBERSHIP

The membership of the corporation shall consist of the members of the Board of Directors.

ARTICLE IV. BOARD OF DIRECTORS

Section 1. General Powers

The affairs of the Corporation shall be managed by its Board of Directors. The Board of Directors shall have control of and be responsible for the management of the affairs and property of the Corporation.

Section 2. Number, Tenure, Requirements, and Qualifications

The number of Directors shall be fixed from time-to-time by the Directors but shall consist of no fewer than five (5) and no more than twenty five (25) including the following officers: the Chair of the Board, the Secretary, and the Chief Financial Officer.

The members of the Board of Directors shall, upon election, immediately enter upon the performance of their duties and shall continue in office until their successors shall be duly elected and qualified. All members of the Board of Directors and Advisory Council must be approved by a majority vote of the members present and voting. No vote on new members of the Board of Directors, or Advisory Council, shall be held unless a quorum of the Board of Directors is present as provided in Section 5 of this Article.

No two members of the Board of Directors related by blood or marriage/domestic partnership within the second degree of consanguinity or affinity may serve on the Board of Directors at the same time.

Each member of the Board of Directors shall be a member of the Corporation.

Each member of the Board of Directors shall attend at least one (1) meeting of the Board per year.

Each member of the Board of Directors shall contribute, and/or be directly and solely responsible for the contribution from others, an aggregate amount of at least two thousand cash dollars (\$2,000) to the organization annually. Video production services provided as in-kind donations for purposes of marketing the Corporation shall be considered equal to their cash value.

Section 3. Regular and Annual Meetings

Due to the (intentional) geographic spread of the membership of Directors, and in an effort to eliminate the costs and environmental damage associated with travel, every meeting of the Board of Directors shall be conducted via phone conference.

An annual meeting of the Board of Directors shall be held at a time and day in the month of February designated by the Executive Committee of the Board of Directors. Additionally, at least one other regular meeting shall be held each calendar year, at a time and day designated by the Executive Committee of the Board of Directors. Notice of these meetings shall be sent to all members of the Board of Directors no less than ten (10) days prior to the meeting date.

Section 4. Special Meetings

Special meetings of the Board of Directors may be called by or at the request of the Chair of the Board or any two members of the Board of Directors. Notice of any special meeting of the Board of Directors shall be given at least three (3) days in advance of the meeting by telephone or written notice.

Section 5. Quorum

The presence, via telephone conference, of at least sixty percent (60%) of current members of the Board of Directors shall be necessary at any meeting to constitute a quorum to transact business, but a lesser number shall have power to adjourn to a specified later date without notice. The act of a majority of the members of the Board of Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these by-laws.

Section 6. Forfeiture

Any member of the Board of Directors who fails to fulfill any of his or her requirements as set forth in Section 2 of this Article by December 31st shall automatically forfeit his or her seat on the Board. The Secretary shall notify the Director in writing that his or her seat has been declared vacant, and the Board of Directors may forthwith immediately proceed to fill the vacancy. Members of the Board of Directors who are removed for failure to meet any or all of the requirements of Section 2 of this Article are not entitled to the procedure outlined in Section 12 of this Article in these by-laws.

Section 7. Vacancies

Whenever any vacancy occurs in the Board of Directors it shall be filled without undue delay by a majority vote of the remaining members of the Board of Directors at a regular meeting. Vacancies may be created and filled according to specific methods approved by the Board of Directors.

Section 8. Compensation

Members of the Board of Directors shall not receive any compensation for their services as Directors.

Section 9. Informal Action by Directors

Any action required by law to be taken at a meeting of the Directors, or any action which may be taken at a meeting of Directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by two-thirds (2/3) of all of the Directors following notice of the intended action to all members of the Board of Directors.

Section 10. Advisory Council

An Advisory Council may be created whose members shall be elected by the members of the Board of Directors annually but who shall have no duties, no voting privileges, and no obligations for attendance at regular meetings of the Board. Advisory Council members may attend said meetings at the invitation of a member of the Board of Directors. Members of the Advisory Council shall possess the desire to serve the community and support the work of the Corporation by providing expertise and professional knowledge.

Section 11. Parliamentary Procedure

Any question concerning parliamentary procedure at meetings shall be determined by the Chair of the Board by reference to Robert's Rules of Order.

Section 12. Removal.

Any member of the Board of Directors or members of the Advisory Council may be removed with or without cause, at any time, by vote of three-quarters (3/4) of the members of the Board of Directors if in their judgment the best interest of the Corporation would be served thereby. Each member of the Board of Directors must receive written notice of the proposed removal at least ten (10) days in advance of the proposed action. An officer who has been removed as a member of the Board of Directors shall automatically be removed from office.

Members of the Board of Directors who are removed for failure to meet the minimum requirements in Section 2 of this Article in these by-laws automatically forfeit their

positions on the Board pursuant to Section 6 of this Article, and are not entitled to the removal procedure outlined in Section 12 of this Article.

ARTICLE V. OFFICERS

The officers of this Board shall be the Chair of the Board, the Secretary, and the Chief Financial Officer. All officers must have the status of active members of the Board.

Section 1. Chair of the Board

The Chair of the Board shall preside at all meetings of the membership. The Chair of the Board shall have the following duties:

- a. He/She shall preside at all meetings of the Executive Committee.
- b. He/She shall have general and active management of the business of this Board of Directors.
- c. He/She shall see that all orders and resolutions of the Board of Directors are brought to the Board of Directors.
- d. He/She shall have general superintendence and direction of all other officers of this Corporation and see that their duties are properly performed.
- e. He/She shall submit a report of the operations of the Corporation for the calendar year to the Board of Directors at their annual meeting, and from time to time, shall report to the Board of Directors all matters that may affect the Corporation.
- f. He/She shall be Ex-officio member of all standing committees and shall have the power and duties usually vested in the office of the Chair of the Board.

Section 2. Secretary

The Secretary shall attend all meetings of the Board of Directors and of the Executive Committee, and will act as a clerk thereof. The Secretary's duties shall consist of:

- a. He/She shall record all votes and minutes of all proceedings in a book to be kept for that purpose. He/She, in concert with the Chair of the Board, shall make the arrangements for all meetings of the Board of Directors.
- b. He/she shall send notices of all meetings to the members of the Board of Directors and shall take reservations for the meetings.
- c. He/She shall perform all official correspondence from the Board of Directors as may be prescribed by the Board of Directors or Chair of the Board.

Section 3. Chief Financial Officer

The Chief Financial Officer's duties shall be:

- a. At each meeting of the Board of Directors, He/She shall submit for approval all expenditures of the Corporation.
- b. At each meeting of the Board of Directors, He/She shall present a complete and accurate report of the finances raised by the Corporation.
- c. He/She shall have the right of inspection of all resting funds, budgets, receipts, and audit reports of or for the Corporation.
- d. He/She shall assist in direct audits of the funds of the Corporation according to funding source guidelines and generally accepted accounting principles.
- e. He/She shall perform such other duties as may be prescribed by the Board of Directors or the Chair of the Board under whose supervision He/She shall be.

Section 4. Election of Officers

Nominations and Elections for the Board's first slate of Officers shall take place at the first meeting of the Board of Directors. Subsequent nominations and elections shall take place during the annual Board of Directors meeting in every calendar year ending in an odd number (e.g., 2021, 2023, and so on). Officers elected in 2021 and beyond shall serve a term of two (2) years, commencing immediately after their election. Officers of the Executive Committee shall be eligible to succeed themselves in their respective offices for two (2) additional terms only.

Section 5. Removal of Officer

The Board of Directors with the concurrence of 3/4 of the members voting at the meeting may remove any officer of the Board of Directors and elect a successor for the unexpired term. No officer of the Board of Directors shall be expelled without an opportunity to be heard and notice of such motion of expulsion shall be given to the member in writing twenty (20) days prior to the meeting at which motion shall be presented, setting forth the reasons of the Board for such expulsion.

Section 6. Vacancies

The persons elected to fill vacancies on the Executive Committee shall hold membership or office for the unexpired term in respect of which such vacancy occurred.

ARTICLE VI. COMMITTEES

Section 1. Committee Formation

The Board of Directors may create committees as needed, such as fundraising, public relations, data collection, etc. The Chair of the Board appoints all committee chairs.

Section 2. Executive Committee

The three officers serve as the members of the Executive Committee. Except for the power to amend the Articles of Incorporation and Bylaws, the Executive Committee shall have all the powers and authority of the Board of Directors in the intervals between meetings of the Board of Directors, and is subject to the direction and control of the full board.

Section 3. Finance Committee

The Chief Financial Officer is the chair of the Finance Committee, which includes at least two other board members. The Finance Committee is responsible for developing and reviewing fiscal procedures, fundraising plans, and the annual budget with staff and other board members. The Board of Directors must approve the budget, and all expenditures must be within budget. Any major changes in the budget must be approved by the Board of Directors or the Executive Committee. The fiscal year shall be the calendar year. Annual reports are required to be submitted to the board showing income, expenditures, and pending income. The financial records of the organization are public information and shall be made available to the membership, board members, and the public.

ARTICLE VII. CORPORATE STAFF

Section 1: Executive Director

The Board of Directors shall appoint or hire an Executive Director who shall serve at the will of the Board. The Executive Director shall have immediate and overall supervision of the operations of the Corporation, and shall direct the day-to-day business of the Corporation, maintain the properties of the Corporation, hire and discharge all staff members under the Executive Director's supervision, and perform such additional duties as may be directed by the Executive Committee or the Board of Directors. No officer, Executive Committee member, or member of the Board of Directors may individually instruct the Executive Director or any other employee. The Executive Director shall make such reports at the Board and Executive Committee meetings as shall be required by the Chair of the Board or the Board of Directors. The Executive Director shall be an ad-hoc member of all committees.

The Executive Director may not be related by blood or marriage/domestic partnership within the second degree of consanguinity or affinity to any member of the Board of Directors or Advisory Council. The Executive Director may be hired at any meeting of the Board of Directors by a majority vote and shall serve until removed by the Board of Directors upon an affirmative vote of three-quarters (3/4) of the members present at any meeting of the Board Directors. Such removal may be with or without cause. Nothing herein shall confer any compensation or other rights on any Executive Director, who shall remain an employee terminable at will, as provided in this Section.

Section 2: Compensation of Corporate Staff

The Corporation may not compensate – via salary, stipend, or any other means – the work of the Executive Director or any other corporate staff position until such time as the gross revenues of the Corporation exceed \$500,000.00 in a single calendar year.

At any point after the Corporation’s gross revenues from a single calendar year exceed \$500,000.00, the Board of Directors may elect to compensate and/or hire corporate staff. However, total staff compensation for a calendar year may not exceed five percent (5%) of the Corporation’s gross revenues from the previous calendar year.

While the power and duties of vetting, hiring, and discharging staff members shall reside with the Executive Director, the total amount of funds available for staff compensation shall be determined by a vote of the Board of Directors, and it shall not exceed, *in toto*, five percent of the Corporation’s gross revenues from the previous calendar year.

ARTICLE VIII. – Conflict of Interest and Compensation

Section 1: Purpose

The purpose of the conflict of interest policy is to protect this tax-exempt organization’s interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Organization or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Section 2: Definitions

a. Interested Person

Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

b. Financial Interest

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

1. An ownership or investment interest in any entity with which the Organization has a transaction or arrangement,
2. A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or
3. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Section 3. Procedures

- a. **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.
- b. **Determining Whether a Conflict of Interest Exists.** After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.
- c. **Procedures for Addressing the Conflict of Interest**
 1. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
 2. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
 3. After exercising due diligence, the governing board or committee shall determine whether the Organization can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
 4. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Organization's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.
- d. **Violations of the Conflicts of Interest Policy**
 1. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
 2. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the

member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 4. Records of Proceedings

The minutes of the governing board and all committees with board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Section 5. Compensation

- a. A voting member of the governing board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.
- c. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Section 6. Annual Statements

Upon election to the Board of Directors, each Director shall sign a statement which affirms such person:

- a. Has received a copy of the conflicts 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 in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Section 7. Periodic Reviews

To ensure the Organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Organization's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Section 8. Use of Outside Experts

When conducting the periodic reviews as provided for in Article VI, the Organization may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

ARTICLE IX. IDEMNIFICATION

Section 1. General

To the full extent authorized under the laws of the state of California, the Corporation shall indemnify any director, officer, employee, or agent, or former member, director, officer, employee, or agent of the Corporation, or any person who may have served at the Corporation's request as a director or officer of another corporation (each of the foregoing members, directors, officers, employees, agents, and persons is referred to in this Article individually as an "indemnitee"), against expenses actually and necessarily incurred by such indemnitee in connection with the defense of any action, suit, or proceeding in which that indemnitee is made a party by reason of being or having been such member, director, officer, employee, or agent, except in relation to matters as to which that indemnitee shall have been adjudged in such action, suit, or proceeding to be liable for negligence or misconduct in the performance of a duty. The foregoing indemnification shall not be deemed exclusive of any other rights to which an indemnitee may be entitled under any bylaw, agreement, resolution of the Board of Directors, or otherwise.

Section 2. Expenses

Expenses (including reasonable attorneys' fees) incurred in defending a civil or criminal action, suit, or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit, or proceeding, if authorized by the Board of Directors, upon receipt of an undertaking by or on behalf of the indemnitee to repay such amount if it shall ultimately be determined that such indemnitee is not entitled to be indemnified hereunder.

Section 3. Insurance

The Corporation may purchase and maintain insurance on behalf of any person who is or was a member, director, officer, employee, or agent against any liability asserted against such person and 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 or obligation to indemnify such person against such liability under this Article.

ARTICLE X. BOOKS AND RECORDS

The corporation shall keep complete books and records of account and minutes of the proceedings of the Board of Directors and the Executive Committee.

ARTICLE XI. AMENDMENTS

Section 1. Articles of Incorporation

The Articles may be amended in any manner at any regular or special meeting of the Board of Directors, provided that specific written notice of the proposed amendment of the Articles setting forth the proposed amendment or a summary of the changes to be effected thereby shall be given to each director at least three days in advance of such a meeting if delivered personally or by e-mail or at least five days if delivered by mail. Any amendment to the Articles shall require the affirmative vote of all directors then in office.

Section 2. Bylaws

The Board of Directors may amend these Bylaws by majority vote at any regular or special meeting. Written notice setting forth the proposed amendment or summary of the changes to be effected thereby shall be given to each director within the time and the manner provided for the giving of notice of meetings of directors.

ADOPTION OF BYLAWS

We, the undersigned, are all of the initial directors of this Corporation, and we consent to, and hereby do adopt the foregoing Bylaws, consisting of the 11 preceding pages, as the Bylaws of this corporation.

ADOPTED AND APPROVED by the Board of Directors on this 21st day of March, 2020.

DocuSigned by:

Dan Strakal

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Dan Strakal, Chair of the Board of Directors

DocuSigned by:

Rachael Berkey

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Rachael Berkey, Secretary of the Board of Directors

DocuSigned by:

Travis Schultdt

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Travis Schultdt, Chief Financial Officer of the Board of Directors

DocuSigned by:

Melissa Aguayo

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Melissa Aguayo, member of the Board of Directors

DocuSigned by:

H. B. Bainbridge

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Harry Bainbridge, member of the Board of Directors

DocuSigned by:

Maria Campbell

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Maria Campbell, member of the Board of Directors

DocuSigned by:

Katherine Damon

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Kate Damon, member of the Board of Directors

DocuSigned by:

Kim Estes

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Kim Estes, member of the Board of Directors

DocuSigned by:

Scott Goodstein

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Scott Goodstein, member of the Board of Directors

DocuSigned by:

Charles Leisenring

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Charles Leisenring, member of the Board of Directors

DocuSigned by:

Patrick Krill

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Patrick Krill, member of the Board of Directors

DocuSigned by:

Murphy Moon

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Murphy Moon, member of the Board of Directors

DocuSigned by:

Erick Mullen

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Erick Mullen, member of the Board of Directors

DocuSigned by:

Melanie Renfro

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Melanie Renfro, member of the Board of Directors

DocuSigned by:

Kenneth Suarez

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Kenneth Suarez, member of the Board of Directors