

BYLAWS
OF
CALIFORNIA MASSAGE THERAPY COUNCIL
(a nonprofit public benefit corporation)

ARTICLE I.

NAME

Section 1. Name. The name of this corporation is CALIFORNIA MASSAGE THERAPY COUNCIL (hereinafter "Council" or "corporation").

ARTICLE II.

LOCATION OF PRINCIPAL OFFICE

Section 1. Principal Office. The principal office for the transaction of the activities and affairs of the corporation shall be located in California. The Board of Directors ("Board") may change the principal office from one location to another so long as the principal office remains in California.

Section 2. Other Offices. The Board may establish branch or subordinate offices at any place or places where the corporation is qualified to conduct its activities.

ARTICLE III.

PURPOSES AND LIMITATIONS

Section 1. General Purposes. This corporation is a California Nonprofit Public Benefit Corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law for public purposes and to carry out the obligations described in California Business and Professions Code Sections 4600 et seq. (hereinafter "the Code").

Section 2. Specific Purposes. The specific purpose of this corporation is: to enable consumers and local governments to more easily identify certified massage professionals; to provide for consistent statewide certification and oversight of certified massage professionals; to ensure that schools approved by the Council that are teaching massage provide a high level of training; and to assist local governments and law enforcement in meeting their duty to maintain the highest standards of conduct in massage establishments by vetting and disciplining certificate holders.

Section 3. Limitations. No substantial part of the activities of this corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate or intervene in any political campaign (including the publishing or distribution of statements) on behalf of any candidate for public office.

The property of this corporation is irrevocably dedicated to public and charitable purposes and no part of the net income or assets of this corporation shall ever inure to the benefit of any director or officer, or to the benefit of any private person. Upon the dissolution or winding up of the corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed to a nonprofit foundation, fund or corporation which is organized and operated exclusively for public and charitable purposes and which has established its tax exempt status under Section 501(c)(3) of the Internal Revenue Code.

ARTICLE IV.

NO MEMBERS

Section 1. Members. This corporation shall have no members. To the extent any person is referred to as a "member" in any corporate materials, it shall be understood that such person is not a statutory member as contemplated by the California Nonprofit Public Benefit law, and has no voting or other rights in the corporation.

ARTICLE V.

BOARD OF DIRECTORS

Section 1. Powers.

(a) General Corporate Powers. Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and the Code, the corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board.

(b) Specific Powers. Without prejudice to the general powers set forth in subsection (a) above, but subject to the same limitations, the directors shall have the right to do the following:

- (1) Policies. Adopt policies, rules and procedures for the management and operation of the corporation.
- (2) Certificates. Issue certificates as described in the Code. The Board may also discipline certificate holders and suspend or rescind certificates as authorized in the Code.
- (3) Fees. Annually establish initial and renewal fees for certificates which are reasonably related to the cost of providing services and carrying out the ongoing responsibilities and duties of the Council.

- (4) Administration. Retain an individual employee or consultant, or a management firm, or contract with another entity, to administer the day-to-day activities of the corporation. An individual retained pursuant to this authority, if any, shall be known as the Chief Executive Officer (“CEO”). The Board may also employ, retain, or authorize the employment of such other employees, independent contractors, agents, accountants, and legal counsel as it from time to time deems necessary or advisable in the interest of the corporation, prescribe their duties and fix their compensation.
- (5) Bonds. The Board may require officers, agents, and employees charged by the corporation with responsibility for the custody of any of its funds or negotiable instruments to give adequate bond.
- (6) Borrowing money. Borrow money and incur indebtedness on behalf of the corporation and cause to be executed and delivered for the corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, liens, and other evidences of debt and securities.
- (7) Gifts. Receive and accept gifts, devises, bequests, donations, annuities, and endorsements of real and personal property, and use, hold and enjoy the same, both as to principal and income, and to invest and re-invest the same or any part thereof for the furtherance of any objects, interests or purposes of this corporation.
- (8) Contributions. Make such contributions as the Board determines are necessary and advisable in furtherance of the interests and purposes of this corporation.
- (9) Fiscal Year. Establish and change the fiscal year of the corporation.
- (10) Contracts. Enter into contracts and agreements with individuals and with public and private entities for the advancement of the purposes for which the corporation is organized.
- (11) Property. Acquire, construct and possess real, personal, and intellectual property.
- (12) Bank Accounts and Special Funds. Establish one or more bank accounts and/or special funds in order to accomplish and further the purposes of the corporation.
- (13) Committees. Appoint committees as provided in these bylaws.
- (14) Other. Do and perform all acts and exercise all powers incidental to, or in connection with, or deemed reasonably necessary for the proper implementation of the purposes of the corporation.

Section 2. Number and Qualification of Directors.

- (a) Number. The Board shall consist of thirteen (13) directors, as follows:
- (1) One member shall be a representative of the League of California Cities, unless that entity chooses not to exercise this right to appoint.
 - (2) One member shall be a representative of the California Police Chiefs Association, unless that entity chooses not to exercise this right to appoint.
 - (3) One member shall be a representative of the California State Association of Counties, unless that entity chooses not to exercise this right to appoint.
 - (4) One member shall be a representative of an "anti-human trafficking" organization to be determined by the Council. This organization shall appoint one member, unless the organization chooses not to exercise this right to appoint.
 - (5) One member shall be appointed by the Office of the Chancellor of the California Community Colleges, unless that office chooses not to exercise this right to appoint.
 - (6) One member shall be a member of the public appointed by the Director of the Department of Consumer Affairs, unless the director chooses not to exercise this right to appoint.
 - (7) One member shall be appointed by the California Association of Private Postsecondary Schools, unless that entity chooses not to exercise this right to appoint.
 - (8) One member shall be appointed by the American Massage Therapy Association, California Chapter, who shall be a California-certified massage therapist or massage practitioner who is a California resident and who has been practicing massage for at least three years, unless that entity chooses not to exercise this right to appoint.
 - (9) One member shall be a public health official representing a city, county, city and county, or state health department, to be determined by the Council. The city, county, city and county, or state health department chosen, shall appoint one member unless that entity chooses not to exercise this right to appoint.
 - (10) (A) One member shall be a certified massage therapist or a certified massage practitioner who is a California resident who has practiced massage for at least three years prior to the appointment, selected by a professional society, association, or other entity which membership is comprised of massage therapist professionals, and that chooses to participate in the Council. To qualify, a professional society, association, or other entity shall have a dues-paying membership in California of at least 1,000 individuals, have been established since 2000, and shall have bylaws that require its members to comply with a code of ethics.

(B) If there is more than one professional society, association, or other entity that meets the requirements of subparagraph (A), the appointment shall rotate based on

a four-year term between each of the qualifying entities. The qualifying entity shall maintain its appointment authority during the entirety of the four-year term during which it holds the appointment authority. The order in which a qualifying professional society, association, or other entity has the authority to appoint shall be determined by alphabetical order based on the full legal name of the entity as of January 1, 2014.

(11) The members appointed to the Board in accordance with subsections (1) to (10) above shall appoint three additional members at any duly held Board meeting in accordance with the following. One of the appointees shall be an attorney licensed by the State Bar of California, who has been practicing law for at least three years and who at the time of appointment represents a city in the state. One of the appointees shall represent a massage business entity that has been operating in the state for at least three years. One of the appointees shall be an individual who has knowledge of the massage industry or can bring needed expertise to the operation of the Council for purposes of complying with Section 4603 of the Code.

(b) Qualifications. All directors must be individuals who are dedicated to the purposes of this corporation as set forth above.

(c) Restriction on Interested Persons as Directors. No more than 49% of the persons serving on the Board may be "interested persons". An "interested person" is:

(1) any person compensated by the Council for services rendered to it within the previous twelve months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable reimbursement paid to an officer or director; and

(2) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of such person. However, any violation of the provisions of this paragraph shall not affect the validity or enforceability of any transaction entered into by the corporation.

Section 3. Term of Office; Term limits. The term of office of each director shall be four (4) years and until a successor has been appointed and qualified. There shall be no limit on the number of terms a director may serve if he or she remains qualified and appointed to the Board.

Section 4. Removal of Directors. A director may be removed from the Board at any time, with or without cause, by the entity that appointed the director, or by a two-thirds (2/3) vote of all the other directors on the Board.

Section 5. Vacancies on Board.

(a) Events Causing Vacancy. The vacancy or vacancies on the Board shall exist on the occurrence of the following:

(1) The death or resignation of any director;

(2) The removal of a director by its appointing entity or the Board;

(3) The declaration by resolution of the Board of a vacancy in the office of a director who has been declared of unsound mind by an order of court, convicted of a felony, or found by final order or judgment of any court to have breached a duty under Article 3 of Chapter 2 of the California Nonprofit Public Benefit Corporation Law; or

(4) The increase of the authorized number of directors.

(b) Resignations. Except as provided below, any director may resign by giving written notice to the Chairperson of the Board, the CEO (if any), or the Secretary of the Board. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective. Except on notice to the Attorney General of California, no director may resign if the corporation would be left without a duly appointed director or directors.

(c) Filling Vacancies. Vacancies on the Board may be filled by the entity entitled to fill the seat, or by the Board, depending on how the seat was filled originally. The individual filling a vacant director position shall serve until the end of the term of the director whose vacancy he or she is filling.

(d) No Vacancy on Reduction of Number of Directors. No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

Section 6. Board Meetings.

(a) Annual Meeting. The Board shall hold an annual meeting at a time and location determined by the Board for purposes of organization, election of officers, and transaction of other business. Notice of the annual meeting shall be given in accordance with subsection (d) below.

(b) Special Meetings. Special meetings of the Board for any purpose may be called at any time by the Chairperson, the CEO, if any, or any two directors. Notice of any special meeting shall be given in accordance with subsection (d) below.

(c) Bagley-Keene Open Meeting Act. Board meetings shall be subject to the rules of the Bagley-Keene Open Meeting Act ("Act") (California Government Code Section 11120 et seq.). Specifically, notice of meetings shall comply with subsection (d) below and all meetings shall be open to the public unless specifically noticed as a "closed session" in compliance with the Act.

(d) Notice. Notice of Board meetings, specifying the time and place of the meeting and a specific agenda for the meeting, shall be given to each director (and any other person who has requested, in writing, notice of meetings), at least ten (10) days before the meeting. The notice and agenda must also be posted on the Council's website at least 10 days before the meeting. Any notice/agenda sent on less than 10 days notice must be in accordance with the exceptions provided by the Act.

(e) Place of Meetings. Meetings of the Board shall be held at any place within California that has been designated in the notice of the meeting.

(f) Meetings by Telephone or Video Conference. Directors may participate in a meeting of the Board through use of conference telephone or electronic video screen communication but only if such meetings also comply with the Bagley-Keene Open Meeting Act.

Participation in a meeting through use of conference telephone or electronic video screen communication constitutes presence in person at that meeting as long as all directors participating in the meeting are able to hear one another.

(g) Quorum/Act of the Board. A majority of the voting directors shall constitute a quorum for the transaction of business, except to adjourn. Except as specifically provided in these bylaws or in the California Nonprofit Public Benefit Corporation Law, every action taken or decision made by a majority of the directors present at a duly held meeting at which a quorum is present shall be the act of the Board. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of directors, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

(h) Voting Power. For all purposes, the voting power of each voting director shall be one vote.

(i) Attendance. Any director who misses three (3) consecutive Board meetings for any reason automatically loses his or her seat on the Council. Staff will immediately notify the director and the appointing entity via email regarding the removal after the third missed Board meeting. Special or emergency meetings held on less than 10 days' notice pursuant to Government Code Sections 11125.4 or 11125.5 do not count for purposes of this attendance rule.

The Board may waive this provision as to a particular director by majority vote. The Board's waiver of the automatic removal provision can be based on an excuse acceptable to the Board or any other justification deemed appropriate by the Board. Any vacancy created by this provision shall be filled in accordance with Article V, Section 5(c) above.

Section 7. Compensation and Reimbursement. Directors shall not receive compensation from the Council for their services on the Board. Directors may receive such reimbursement of expenses as the Board may determine by resolution to be fair and reasonable at the time that the resolution is adopted.

Section 8. Property Rights. No director shall have any property rights in any assets of the corporation.

ARTICLE VI.

OFFICERS

Section 1. Officers of the Corporation. The elected officers of the corporation shall be a Chairperson, Vice-Chairperson, Secretary, and Treasurer. The offices of Secretary and

Treasurer may be combined and held by one director in the discretion of the Board. If combined, the office shall be known as the "Secretary/Treasurer". All officers must be directors. The CEO, if any, shall be an officer but not an elected officer.

Section 2. Election of Officers. The elected officers of the corporation shall be elected annually by the Board from among its directors.

Section 3. Terms of Office; Term Limits. Officers shall serve at the pleasure of the Board for one-year terms. There is no limit on the number of terms an officer may serve if he or she is a director and continues to be elected to an officer position by the Board.

Section 4. Removal of Officers. Any elected officer may be removed at any time, with or without cause, by a majority vote of the Board at any properly called meeting where a quorum is present.

Section 5. Resignation of Officers. An officer may resign at any time by giving written notice to the Chairperson or the Secretary. The resignation shall take effect as of the date the notice is received or at any later time specified in the notice and, unless otherwise specified in the notice, the resignation need not be accepted to be effective.

Section 6. Vacancies in Office. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled by a majority vote of the directors present at any annual or special meeting of the Board where a quorum is present. The individual filling a vacant officer position shall serve until the end of the term of the officer whose vacancy he or she is filling.

Section 7. Responsibilities of Officers.

(a) Chairperson. The Chairperson of the Board shall preside at meetings of the Board and shall exercise and perform such other powers and duties as the Board may assign from time to time. If there is no CEO, the Chairperson of the Board shall also be the Chief Executive Officer and shall have the powers and duties of the CEO of the corporation prescribed by these Bylaws.

(b) Vice-Chairperson. If the Chairperson is absent or disabled, the Vice-Chairperson shall perform all duties of the Chairperson. When so acting, the Vice-Chairperson shall have all powers of and be subject to all restrictions on the Chairperson. The Vice-Chairperson shall have such other powers and perform such other duties as the Board or the Bylaws may prescribe.

(c) Secretary.

(i) Book of Minutes. The Secretary shall keep or cause to be kept, at the corporation's principal office or such other place as the Board may direct, a book of minutes of all meetings, proceedings, and actions of the Board, and committees of the Board. The minutes of meetings shall include the time and place that the meeting was held, whether the meeting was annual or special, and, if special, how authorized, the notice given, and the names of those present at the Board and committee meetings. The Secretary shall keep or

cause to be kept, at the principal office in California, a copy of the Articles of Incorporation and the Bylaws, as amended to date.

(ii) Notices, Seal, and Other Duties. The Secretary shall give, or cause to be given, notice of all meetings of the Board and of its committees required by these Bylaws. The Secretary shall keep the corporate seal, if any, in safe custody and shall have such other powers and perform such other duties as the Board or the Bylaws may prescribe.

(iii) If the Chairperson and Vice-Chairperson are both absent or unable to serve, the Secretary shall perform all the duties of the Chairperson. When so acting, the Secretary shall have all powers of and be subject to all restrictions on the Chairperson.

(d) Treasurer.

(i) Books of Account. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the corporation's properties and transactions. The Treasurer shall send or cause to be given to the directors such financial statements and reports as are required to be given by law, by these Bylaws, or by the Board. The books of account shall be open to inspection by any director at all reasonable times.

(ii) Deposit and Disbursement of Money and Valuables. The Treasurer shall deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the corporation with such depositories as the Board may designate, shall disperse the corporation's funds as the Board may order, shall render to the Chairperson, the CEO, if any, and the Board, when requested, an account of all transactions as Treasurer and of the financial condition of the corporation, and shall have such other powers and perform such other duties as the Board or the Bylaws may prescribe.

(e) Chief Executive Officer. The CEO, if any, may be either an independent contractor/consultant or an at-will employee, as appropriate under law. The CEO, if any, shall be the chief executive officer and general manager of the Council and shall manage the corporation's day-to-day activities, affairs, and administration under the supervision of the Board. The CEO shall keep the Board apprised of significant matters relating to the operation of the corporation, its activities, employees, contractors, and financial condition. The CEO shall have such other powers and duties as the Board or the Bylaws may prescribe.

ARTICLE VII.

COMMITTEES

Section 1. Committees of the Board. The Board, by resolution, may create committees of the Board, each consisting of two or more directors *and no persons who are not directors*, to serve at the pleasure of the Board. The Board shall appoint a Chair for each committee of the Board from among the directors. The Chair of each committee shall appoint the members of the committee from among the directors. Any such committee, to the extent provided in the Board resolution, shall have all the authority of the Board, except that no committee, regardless of Board resolution, may:

- (a) Fill vacancies on the Board or on any committee that has the authority of the Board;
- (b) Authorize reimbursement of the directors for serving on the Board or on any committee;
- (c) Amend or repeal Bylaws or adopt new Bylaws;
- (d) Amend or repeal any resolution of the Board that by its express terms is not so amendable or repealable;
- (e) Create any other committees of the Board or appoint the members of committees of the Board; or
- (f) Approve any contract or transaction to which the corporation is a party and in which one or more of its directors has a material financial interest, except as special approval is provided for in Section 5233(d)(3) of the California Corporations Code.

Section 2. Executive Committee.

The Executive Committee shall be a “standing advisory committee”. The Executive Committee shall be subject to the rules applicable to “advisory committees” described below except that the Executive Committee shall consist of the elected officers of the corporation – Chairperson, Vice-Chairperson, Secretary, and Treasurer – and the Chairperson of the Council shall be the Chair of the Executive Committee.

The Executive Committee may develop policies for Board approval, and may review and recommend to the Board changes to the bylaws and to other operating policies. The Executive Committee shall also have such authority as is delegated to it by the Board.

Section 3. Advisory Committees. The Board may also establish advisory committees composed of at least one director and any number of other interested persons who are not directors. The Board shall appoint a Chair for each advisory committee. The Chair of each advisory committee shall appoint the members of the committee. Advisory committees shall provide advice and recommendations to the Board but shall not have the authority of the Board or any final decision making authority, except as provided above in Section 2 of this Article.

Section 4. Notice Requirements for Committees. Committees shall comply with the Bagley-Keene Open Meeting Act. Written notice and agenda requirements for committee meetings shall be the same as for Board meetings. Committee meetings may be called by the Chairperson of the Council, the Chair of the committee, or by a majority of the members of the committee.

Section 5. Quorum for Committees. A majority of the voting members of any committee shall constitute a quorum, and the acts of a majority of the voting members present at a meeting at which a quorum is present shall constitute the act or recommendation of the committee.

Section 6. Meetings by Telephone or Video Conference. Any meeting of a committee may be held by telephone or video conference in the same manner provided for in Article V of these bylaws.

ARTICLE VIII.

LIABILITY, INDEMNIFICATION, AND INSURANCE

Section 1. Liability. No volunteer director or officer shall be liable to third parties if the volunteer director or officer has met the requirements for good faith performance of his or her duties prescribed by the California Nonprofit Public Benefit Corporation Law and the corporation has met its duties relative to insurance required by the California Nonprofit Public Benefit Corporation Law.

Section 2. Right of Indemnity. To the fullest extent permitted by law, this corporation shall indemnify its directors, officers, employees, and other persons described in Section 5238(a) of the California Corporations Code, including persons formerly occupying any such position, against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred by them in connection with any "proceeding", as that term is used in that section, and including an action by or in the right of the corporation, by reason of the fact that the person is or was a person described in that section. "Expenses," as used in this Bylaw, shall have the same meaning as in Section 5238(a) of the California Corporations Code.

Section 3. Approval of Indemnity. On written request to the Board by any person seeking indemnification under Section 5238(b) or Section 5238(c) of the California Corporations Code, the Board shall promptly determine under Section 5238(e) of the California Corporations Code whether the applicable standard of conduct set forth in Section 5238(b) or Section 5238(c) has been met and, if so, the Board shall authorize indemnification.

Section 4. Advancement of Expenses. To the fullest extent permitted by law and except as otherwise determined by the Board in a specific instance, expenses incurred by a person seeking indemnification pursuant to these Bylaws in defending any proceeding covered by such indemnification shall be advanced by the corporation before final disposition of the proceeding, on receipt by the corporation of an undertaking by or on behalf of that person, that the advance will be repaid unless it is ultimately determined that the person is entitled to be indemnified by the corporation for those expenses.

Section 5. Insurance. The Board shall authorize the purchase and maintenance of an insurance policy or policies on behalf of its directors, officers, and employees against any liabilities, other than for violating provisions against self-dealing, incurred by the director, officer, or employee in such capacity or arising out of their status as such. Such policy shall meet the requirements set forth in Corporations Code Section 5239.

ARTICLE IX.

RECORDS AND REPORTS

Section 1. Maintenance of Corporate Records. The corporation shall keep:

- (a) Adequate corporate books and records of account;
 - (b) Written minutes of the proceeding of its Board and committees of the Board;
- and
- (c) A record of each director's name, address, telephone number, facsimile number, and electronic mail address, if any.

Section 2. Maintenance of Articles and Bylaws. The corporation shall keep at its principal office the original or a copy of the Articles of Incorporation and Bylaws, as amended to date.

Section 3. Inspection by Directors. Every director shall have the right to inspect the corporation's books, records, and documents to the extent allowed by the California Nonprofit Public Benefit Corporation Law.

Section 4. Annual Report. The Board shall cause an annual report to be sent to directors within 120 days after the end of the corporation's fiscal year. That report should contain the following information, in appropriate detail, for the fiscal year:

- (a) The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year.
- (b) The principal changes in assets and liabilities, including trust funds.
- (c) The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes.
- (d) The expenses or disbursements of the corporation for both general and restricted purposes.
- (e) Any information required by Section 5 of this article.

The annual report shall be accompanied by any report of independent accountants or, if there is no such report, by the certificate of an authorized officer of the corporation that such statement were prepared without audit from the corporation's books and records.

This requirement of an annual report shall not apply if the corporation receives less than \$25,000 in gross receipts during the fiscal year, provided, however, that the information specified above for inclusion in an annual report must be furnished annually to all directors who request it in writing.

Section 5. Annual Statement of Certain Transactions and Indemnifications.

If any of the following types of transactions or indemnifications occurred during the previous fiscal year, then as part of the annual report to all directors, or as a separate document if no annual report is issued, the corporation shall prepare and mail or deliver to each director a statement of any such transaction or indemnification within 120 days after the end of the corporation's fiscal year:

- (a) Any transaction:
 - (i) in which the corporation, its parent or its subsidiary was a party,
 - (ii) in which an "interested person" had a direct or indirect material financial interest, and
 - (iii) which involved more than \$50,000, or was one of a number of transactions with the same "interested person" involving, in the aggregate, more than \$50,000.

The statement shall include a brief description of the transaction, the names of "interested persons" involved, their relationship to the corporation, the nature of their interest in the transaction and, if practicable, the amount of that interest, provided that if the transaction was with a partnership in which the "interested person" is a partner, only the interest of the partnership need be stated.

(b) Any indemnifications or advances aggregating more than \$10,000 which were paid during the fiscal year to any officer or director of the corporation.

ARTICLE X.

MISCELLANEOUS

Section 1. Fiscal Year. Unless changed by the Board, the fiscal year of the corporation shall begin on the first day of January and end on the last day of December of each year.

Section 2. Conflicts of Interest. Board members and committee members must actively seek to avoid situations and activities that create an actual or potential conflict between the individual's personal interests and the interests of the corporation. If a Board member or committee member believes that a conflict exists relative to a particular issue being considered by the Board or any committee, he or she shall disclose the conflict to the Board or committee, as appropriate, and abstain from discussion or voting on the issue.

For purposes of this section and these bylaws, a "conflict of interest" means a situation in which a board or committee member is part of a discussion or decision by the board or a committee which has the potential to financially benefit that board or committee member or a member of that board or committee member's immediate family. "Immediate family" means, spouse or same-sex/domestic partner, children, parents, siblings, parents-in-law, or siblings-in-law.

Both the fact and the appearance of a conflict of interest should be avoided. Board members or committee members who are unsure as to whether a certain transaction, activity, or relationship constitutes a conflict of interest should discuss it with the Chairperson, who will determine whether disclosure to the Board or the assistance of legal counsel is required.

Section 3. Intellectual Property. All intellectual property prepared or purchased by or on behalf of the corporation, including but not limited to newsletters, educational, promotional, and training materials, contracts, trade names, logos, service marks, and lists of certificate

holders, shall be the exclusive property of the corporation and Board members agree to deal with it as such. Board members agree that they will not sell, transfer, publish, modify, distribute, or use for their own purposes, the intellectual property belonging to the corporation without the prior approval of the Board memorialized in a writing signed by the Chairperson.

Section 4. Required Filings and Disclosures. The Board shall ensure that the required filings are made at applicable state and federal agencies, including but not necessarily limited to filings required by the Secretary of State, the Attorney General's office, the Internal Revenue Service, and the Franchise Tax Board.

The Council shall also comply with the disclosure requirements of federal and state agencies to which it is subject. Requirements which are applicable to the Council include but are not necessarily limited to making the corporation's annual exempt organization filing (IRS Form 990) available to the public, and registering with the Attorney General's office in California.

Section 5. Construction and Definitions. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the Nonprofit Public Benefit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of this provision, the singular includes the plural, the plural includes the singular, the masculine includes the feminine and neuter, and the term "person" includes both an individual and an entity.

ARTICLE XI.

AMENDMENTS

Section 1. Amendments. Subject to any limitations in the law, these Bylaws may be initially adopted, and thereafter amended, or repealed and new bylaws adopted, by a majority vote of the Board at any properly called meeting where a quorum is present, so long as the amendments, proposed repeal, or new bylaws are provided to each director at least ten (10) days prior to the meeting at which such amendments, repeal, or new bylaws will be discussed and voted on.

ARTICLE XII.

DISSOLUTION

Section 1. Remaining Assets. Upon the dissolution or winding up of the corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed to a nonprofit organization which is organized and operated exclusively for public and charitable purposes and which has established its tax exempt status under Section 501(c)(3) of the Internal Revenue Code.

CERTIFICATE OF SECRETARY

I certify that I am the duly elected and acting Secretary of the CALIFORNIA MASSAGE THERAPY COUNCIL, a California nonprofit public benefit corporation; that the above Bylaws, consisting of 15 typewritten pages including this page, are the Bylaws of this corporation as approved by the Board of Directors on September 14, 2015; and that they have not been amended or modified since that date.

Executed on the _____ day of _____, 2015 at
_____, California.

Roberta Rolnick, Secretary