

**BYLAWS OF  
THE EPAGNEUL BRETON FOUNDATION, INC.**

**ARTICLE I  
NAME**

**1.1. Name**

The name of the organization shall be The Epagneul Breton Foundation, Inc. It shall be a nonprofit organization incorporated under the laws of the State of Montana as a public benefit corporation.

**ARTICLE II  
PURPOSES AND POWERS**

**2.01 Purpose**

The Epagneul Breton Foundation, Inc. is a non-profit corporation and is organized exclusively for educational, scientific and charitable purposes, within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, or the corresponding section of any future federal tax code. Such purposes may include the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code.

No part of the net earnings of the organization shall inure to the benefit of, or be distributable to its affiliates, trustees, officers, or other private persons, except that the organization shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in the purpose clause hereof. No substantial part of the activities of the organization shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the organization shall not participate in, or intervene in, (including the publishing and distribution of statements) any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of this document, the organization shall not carry on any other activities not permitted to be carried on (a) by any organization exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code or corresponding section of any future federal tax code, or (b) by an organization, contributions to which are deductible under section 170 (c)(2) of the Internal Revenue Code, or corresponding section of any future federal tax code.

Upon dissolution of the organization, assets shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a similar public purpose. Any such assets not disposed of shall be disposed of by the County District Court in which the principal office of the corporation/organization is

then located, exclusively for the purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes for which the organization existed.

The Epagneul Breton Foundation, Inc.'s basic purpose is to educate the general public and breed constituency about the Epagneul Breton, a breed of pointing dog, developed in the Province of Bretagne, France, beginning in approximately 1907. Such educational efforts are focused in the United States, but are also shared abroad with persons residing in other countries. An additional basic purpose of the Epagneul Breton Foundation, Inc., is to support scientific research and study in matters important to the breed's health and genetics, and to engage in charitable activities which support the Epagneul Breton, a breed of pointing dog, in the United States and around the world.

The Epagneul Breton Foundation, Inc., provides education through its organizational website and further by developing, publishing and distributing breed education materials concerning history, development, and current issues affecting the Epagneul Breton breed. This includes the promotion of and periodic exhibition of both classic and contemporary art which interprets and showcases the breed. The Foundation also utilizes the corporation's official internet website to provide facts, statistics and other educational articles of interest to those who are interested in the Epagneul Breton breed. The Foundation also periodically provides free lectures and makes available an online library and bibliography consisting instructional books, videos, articles/manuscripts and other resources for viewing and educational consumption by affiliates or members of the general public, who are interested in learning about the Epagneul Breton.

In addition to providing a means for persons and businesses to make affiliate donations, gifts or bequests, the Foundation further provides various opportunities for persons to volunteer their energies and talents or to make gifts, bequests and donations in various forms through which to perpetually support the work of the Foundation. The Foundation Board of Trustees has established voluntary charitable memorial giving programs, whereby persons may voluntarily make memorial gifts and donations in honor or memory of deceased Epagneul Breton dogs and in honor or memory of persons who have made notable contributions to the breed throughout its colorful history. These gifts and donations are utilized to help perpetually fund the various educational and scientific/research purposes for which the Foundation is organized.

To maximize our impact on current efforts in support of the Epagneul Breton breed, this organization may contribute to or seek to collaborate with and to support other nonprofit organizations, which fall under the 501(c)(3) section of the Internal Revenue Code of the United States, and which are operated exclusively for educational, scientific (research) and charitable purposes. These organizations may include, but are not limited to, other nonprofit organizations and veterinary schools performing genetic and health related research studies concerning canine health and reproduction as affecting the Epagneul Breton breed and additional scientific research work performed by other research entities to include the Orthopedic Foundation for Animals,

Inc. (“OFA”) and/or the University of Pennsylvania Hip Improvement Program (commonly known as “PENNHIP”).

## **2.02 Powers**

The corporation shall have the power, directly or indirectly, alone or in conjunction or cooperation with others, to do any and all lawful acts which may be necessary or convenient to affect the charitable purposes for which the corporation is organized, and to aid or assist other organizations or persons whose activities further accomplish, foster, or attain such purposes. The powers of the corporation may include, but not be limited to, the acceptance of contributions from the public and private sectors, whether financial or in-kind contributions.

## **ARTICLE III**

### **MEMBERSHIP/AFFILIATIONS**

#### **3.01 No Membership Classes**

The corporation shall have no members who have any right to vote or title or interest in or to the corporation or its properties. The corporation shall be governed by its Board of Trustees.

#### **3.02 Nonvoting Affiliates**

The Foundation Board of Trustees may approve classes of nonvoting affiliates with rights, privileges, and obligations established by the board. Affiliates may be individuals or businesses/other organizations that voluntarily desire to support the mission of this organization. The board, a designated committee of the board, or any duly elected officer in accordance with board policy, shall have authority to admit any individual or organization as an affiliate, to recognize representatives of affiliates, and to make determinations as to affiliates’ rights, privileges, and obligations. At no time shall affiliate information be shared with or sold to other organizations or groups without the affiliate’s consent. At the discretion of the board of trustees of the foundation, affiliates may be given endorsement, recognition and media coverage at fundraising activities, clinics, other events or at the corporation website. Affiliates have no voting rights, and are not members of the corporation, but shall have the right to support the Foundation and to be reasonably informed of work and projects undertaken by the Foundation.

#### **3.03 Donations for Affiliation**

Any amounts of donations for qualification as an affiliate shall be determined by the board of trustees.

**ARTICLE IV**  
**BOARD OF TRUSTEES**

**4.01 Number of Trustees**

The Epagneul Breton Foundation, Inc. shall have a board of trustees consisting of a minimum of at least seven (7) and no more than thirteen (13) trustees, which board shall be inclusive of the officers of the corporation, who shall also contemporaneously serve as trustees. Within these limits, the board may increase or decrease the number of trustees serving on the board at its pleasure, including for the purpose of staggering the terms of trustees.

**4.02 Powers**

All corporate powers shall be exercised by or under the authority of the board of trustees and the affairs of The Epagneul Breton Foundation, Inc. shall be managed by the officers under the direction and general supervision of the board of trustees, except as otherwise provided by law.

**4.03 Terms of Office**

(a) All trustees shall be elected to serve a three-year term unless a lesser term is specified in the appointment of an initial trustee or appointment to fill an unexpired term of a vacated trustee seat; however the term shall be automatically extended until a successor has been elected. Initial terms of office for trustees by post are set forth below in subsection 4.03(e).

(b) Trustee terms shall be staggered so that a portion of the trustees will end their terms in a given year.

(c) Trustees may serve terms in succession, although the Board of Trustees shall strive for geographic and other forms of diversity in the Board of Trustee makeup.

(d) The term of office shall be considered to begin upon election, unless otherwise specified and to end December 31 of the third full year in office, unless the term for an initial Trustee post or unexpired terms is specified for a shorter time and unless the term for a Trustee post is automatically extended as provided herein until such time as a successor has been elected.

(e) The initial terms specified for office for each Trustee Post are as follows.

Post 1. This Trustee post shall be occupied by the Chairman of the Board of Trustees who shall also be designated as the President of the Foundation, and the term of office shall commence upon election and expire December 31, 2018, and thereafter with regard to each successive term shall expire every third anniversary on December 31 of the applicable year, except in a circumstance where no successor is elected.

Post 2. This Trustee post shall be occupied by the Vice Chairman of the Board of Trustees, who shall also be designated as the Vice President of the Foundation and the term of office shall commence upon election and expire December 31, 2018, and thereafter with regard to each successive term shall every third anniversary on December 31 of the applicable year, except in a circumstance where no successor is elected.

Post 3. This Trustee post shall be occupied by the Secretary of the Foundation and the term of office shall commence upon election and expire December 31, 2018, and

thereafter with regard to each successive term shall expire every third anniversary on December 31 of the applicable year, except in a circumstance where no successor is elected.

Post 4. This Trustee post shall be occupied by the Treasurer of the Foundation (if the Treasurer shall be a person separate from the Secretary; otherwise Post 4 may be occupied by any person), and the term of office shall commence upon election and expire December 31, 2018, and thereafter with regard to each successive term shall expire every third anniversary on December 31 of the applicable year, except in a circumstance where no successor is elected.

Post 5. This Trustee post shall be occupied upon election and shall extend until December 31, 2015, and thereafter shall be for a subsequent three year term which shall expire on December 31, 2018; and thereafter with regard to each successive term shall expire every third anniversary on December 31 of the applicable year.

Post 6. This Trustee post shall be occupied upon election and shall extend until December 31, 2015, and thereafter shall be for a subsequent three-year term which shall expire on December 31, 2018, and thereafter with regard to each successive term shall expire every third anniversary on December 31 of the applicable year.

Posts 7, 8, 9, 10, 11, 12, and 13. These Trustee posts shall be occupied upon election, and shall extend until December 31, 2017, and thereafter with regard to each successive term shall expire every third anniversary on December 31 of the applicable third year of such term.

#### **4.04 Qualifications and Election of Trustees and Officers of the Corporation**

In order to be eligible to serve as a Trustee on the Board of Trustees or as an Officer of the Corporation, the individual must be 18 years of age, willing to serve and have demonstrated an interest and commitment to furthering the mission and purposes of the foundation. Trustees may be elected at any board meeting by the majority vote of the existing board of trustees. The election of Trustees to replace those who have fulfilled their term of office shall take place in December of each year when Trustee posts are up for election, unless an annual meeting is set after the first of the new year with the newly elected Trustees immediately assuming office.

#### **4.05 Vacancies**

The Board of Trustees may fill vacancies due to the expiration of a trustee's term of office, resignation, death, or removal of a trustee or may appoint new trustees to fill a previously unfilled board position, subject to the maximum number of trustees under these Bylaws.

(a) Unexpected Vacancies. Vacancies in the Board of Trustees due to resignation, death, or removal shall be filled by the board for the balance of the term of the trustee being replaced.

#### **4.06 Removal of Trustees**

A trustee may be removed by two-thirds vote of the Board of Trustees then in office, if:

(a) the Trustee is absent and unexcused from two or more meetings of the Board of Trustees in a twelve month period. The board chairman and president of the corporation is empowered to excuse trustees from attendance for a reason deemed adequate by the board chairman and president of the corporation. The board chairman and president of the corporation shall not have

the power to excuse him/herself from the board meeting attendance and in that case, the board vice chairman and vice president of the corporation shall excuse the chairman/president. Or:

(b) for cause or no cause, if before any meeting of the board at which a vote on removal will be made the trustee in question is given electronic or written notification of the board's intention to discuss her/his case and is given the opportunity to be heard at a meeting of the board.

#### **4.07 Board of Trustees Meetings**

(a) Regular Meetings. The board of Trustees shall have a minimum of one (1) regular meeting each calendar year at times and places fixed by the board. Additional meetings may be held as deemed necessary. Board meetings shall be held upon four (4) days' notice by first-class mail, electronic mail, or facsimile transmission. If sent by mail, facsimile transmission, or electronic mail, the notice shall be deemed to be delivered upon its deposit in the mail or transmission system. Notice of meetings shall specify the place, day, and hour of meeting (to include the applicable time zone). The purpose of the meeting need not be specified.

(b) Special Meetings. Special meetings of the board may be called by the Chairman, or any three (3) other Trustees serving in office on the board of trustees. A special meeting must be preceded by at least two days' notice to each Trustee of the date, time, and place, but not the purpose, of the meeting.

(c) Waiver of Notice. Any Trustee may waive notice of any meeting, in accordance with Montana law.

#### **4.08 Manner of Acting**

(a) Quorum. A majority of the Trustees in office immediately before a meeting shall constitute a quorum for the transaction of business at that meeting of the board. No business shall be considered by the board at any meeting at which a quorum is not present.

(b) Majority Vote. Except as otherwise required by the bylaws or by the articles of incorporation, the act of the majority of the Trustees present at a meeting at which a quorum is present shall be the act of the board.

(c) Participation. Except as required otherwise by law, the Articles of Incorporation, or these Bylaws, trustees may participate in a regular or special meeting through the use of any means of communication by which all trustees participating may simultaneously hear each other during the meeting, including in person, internet video meeting, teleconference or by telephonic conference call.

#### **4.09 Compensation for Board Service**

Trustees shall receive no compensation for carrying out their duties as trustees. The board may adopt policies providing for reasonable reimbursement of trustees for expenses incurred in conjunction with carrying out board responsibilities, such as reasonable and necessary out of pocket expenses. However, there shall be no reimbursement for travel, absent specific prior approval of a majority of the board.

## **ARTICLE V COMMITTEES**

### **5.01 Committees**

The board of trustees may, by the resolution adopted by a majority of the trustees then in office, designate one or more committees, each consisting of two or more trustees, to serve at the pleasure of the board. Any committee, to the extent provided in the resolution of the board, shall have all the authority of the board, except that no committee, regardless of board resolution, may:

- (a) take any final action on matters which also requires board members' approval or approval of a majority of all members;
- (b) fill vacancies on the board of trustees of in any committee which has the authority of the board;
- (c) amend or repeal Bylaws or adopt new Bylaws;
- (d) amend or repeal any resolution of the board of trustees which by its express terms is not so amendable or repealable;
- (e) appoint any other committees of the board of trustees or the members of these committees;
- (f) expend corporate funds in excess of \$100.00 without prior approval of the Board of Trustees -
- (g) approve any transaction;
  - (i) to which the corporation is a party and one or more trustees have a material financial interest; or
  - (ii) between the corporation and one or more of its trustees or between the corporation or any person in which one or more of its trustees have a material financial interest.

### **5.02 Meetings and Action of Committees**

Meetings and action of the committees shall be governed by and held and taken in accordance with, the provisions of Article IV of these Bylaws concerning meetings of the trustees, with such changes in the context of those Bylaws as are necessary to substitute the committee and its members for the board of trustees and its members, except that the time for regular meetings of committees may be determined either by resolution of the board of trustees or by resolution of the committee. Special meetings of the committee may also be called by resolution of the board of trustees. Notice of special meetings of committees shall also be given to any and all alternate members, who shall have the right to attend all meetings of the committee. Minutes shall be kept of each meeting of any committee and shall be filed with the corporate records. The board of trustees may adopt rules for the governing of the committee not inconsistent with the provision of these Bylaws.

### **5.03 Informal Action By The Board of Trustees - Consent in Lieu of Formal Meeting**

Any action required or permitted to be taken by the board of trustees at a meeting may be taken without a formal board meeting if consent in writing is called for by the Chairman, setting forth by resolution in lieu of formal meeting the action so taken, as shall be agreed by the consensus of a quorum. For purposes of this section an e-mail transmission from an e-mail address on record

constitutes a valid writing. The intent of this provision is to allow the board of trustees to use email to approve actions reasonable and necessary to the proper functioning of the foundation, as long as a quorum of board members gives consent. Such written consent shall be signed by the Chairman, and attested by the Corporate Secretary and shall reflect the names of all Trustees consenting to the measure.

## **ARTICLE VI OFFICERS**

### **6.01 Board Officers of The Corporation**

The officers of the corporation shall be a board president, vice-president, secretary, and treasurer, all of whom shall be chosen by, and serve at the pleasure of, the board of trustees and for the terms as set forth in section 4.03 above. Each board officer shall have the authority and shall perform the duties set forth in these Bylaws or by resolution of the board or by direction of an officer authorized by the board to prescribe the duties and authority of other officers. The board may also appoint such other officers as it deems expedient for the proper conduct of the business of the corporation, each of whom shall have such authority and shall perform such duties as the board of trustees may determine. A single person may hold the board offices of Secretary and Treasurer, but no board officer may act in more than one capacity where action of two or more officers is required.

### **6.02 Term of Office**

Each officer shall serve an initial term as set forth in section 4.03 above and thereafter shall serve three-year term of office and may not serve more than three (3) consecutive terms of office, except there shall be no limitation on the terms of the Secretary and Treasurer of the foundation. Unless unanimously elected by the board at the end of his/her three (3) year terms or to fill a vacancy in an officer position, each board officer's term of office shall begin on January 1 of the next board meeting at which elected and shall end upon the perceived December 31 of the year end of the specified term of office, where a successor is elected.

### **6.03 Removal and Resignation**

The board of trustees may remove an officer at any time, with or without cause. Any officer may resign at any time by giving written notice to the corporation without prejudice to the rights, if any, of the corporation under any contract to which the officer is a party. Any resignation shall take effect at the date of the receipt of the notice or at any later time specified in the notice, unless otherwise specified in the notice. The acceptance of the resignation shall not be necessary to make it effective.

### **6.04 Board Chairman and President of the Corporation**

The board Chairman and President of the corporation shall be the chief volunteer officer of the corporation. The board chairman and president of the corporation shall lead the board of trustees in performing its duties and responsibilities, including, if present, presiding at all meetings of the board of trustees, and shall perform all other duties incident to the office or properly required by the board of trustees.



### **6.05 Board Vice Chairman and Vice President of the Corporation**

In the absence or disability of the board Chairman and President of the corporation, the Vice-Chairman and Vice-President of the Corporation designated by the Board of Trustees shall perform the duties of the board Chairman and President. When so acting, the vice chairman and vice-president of the corporation shall have all the powers of and be subject to all the restrictions upon the board Chairman and President of the corporation. The board Vice Chairman and Vice-President of the corporation shall have such other powers and perform such other duties prescribed for them by the Board of Trustees or the Board President. The Vice Chairman and Vice-President of the corporation shall normally accede to the office of board Chairman and President upon the completion of the board Chairman and President of the corporation's term of office, unless otherwise desired and directed via election by the Board of Trustees.

### **6.06 Secretary**

The Board of Trustees Secretary and the Secretary of the corporation shall keep or cause to be kept a book of minutes of all meetings and actions of trustees and committees of trustees and shall also be the custodian of all official records of the corporation, except records designated to be kept by the Corporation's Treasurer. The minutes of each meeting shall state the time and place that it was held and such other information as shall be necessary to determine the actions taken and whether the meeting was held in accordance with the law and these Bylaws. The Secretary shall cause notice to be given of all meetings of trustees and committees as required by the Bylaws. The Secretary shall have such other powers and perform such other duties as may be prescribed by the board of trustees or the board president. The Secretary may appoint, with approval of the board, a Trustee to assist in performance of all or part of the duties of the secretary. The Secretary shall be responsible to maintain all legal filings required by law, except any tax filings which shall be the responsibility of the Treasurer.

### **6.07 Treasurer**

The Treasurer of the Board of Trustees and Treasurer of the Corporation shall be the lead trustee for oversight of the financial condition and affairs of the corporation. The Treasurer shall oversee and keep the board informed of the financial condition of the corporation and of audit or financial review results. In conjunction with other trustees or officers, the Treasurer shall oversee budget preparation and shall ensure that appropriate financial reports, including an account of major transactions and the financial condition of the corporation, are made available to the Board of Trustees on a timely basis or as may be required by the Board of Trustees. The Treasurer shall perform all duties properly required by the Board of Trustees or the board Chairman and President of the corporation to include deposit of funds received by the foundation, issuance of checks for approved expenses and disbursements, and issuance of correspondence to donors to the foundation. The Treasurer may appoint, with approval of the board a qualified fiscal agent to assist in performance of all or part of the duties of the Treasurer. The Treasurer shall be responsible to see that all tax filings, to include informational returns or regular returns, are properly made as required by any taxing authority.

### **6.08 Nonvoting Honorary or Emeritus Positions**

The Foundation Board of Trustees may designate additional honorary or advisory positions of the corporation and may appoint and assign duties to other non-trustee officers of the corporation for a designated period of time. These honorary positions may include "Chairman Emeritus,"

“Trustee Emeritus” or “Honorary Trustee/Advisor” and shall be honorary and advisory positions, but which shall not carry with the designation any voting rights on the Board of Trustees. Such honorary or advisory positions may be named in the discretion of the Board of Trustees, for such duration as deemed just and appropriate by the Board of Trustees.

## ARTICLE VII

### CONTRACTS, CHECKS, LOANS, INDEMNIFICATION AND RELATED MATTERS

#### 7.01 Contracts and other Writings

Except as otherwise provided by resolution or board policy, all contracts, grants, and other agreements of the corporation shall be executed on its behalf by the president, secretary, or treasurer or other persons to whom the corporation has delegated specific authority to execute such documents in accordance with policies approved by the board.

#### 7.02 Checks, Drafts

All checks, drafts, or other orders for payment of money, notes, or other evidence of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents, of the corporation and in such manner as shall from time to time be determined by resolution of the board. Checks may be signed by either the President, Secretary or the Treasurer, unless otherwise directed in writing by policy of the board.

#### 7.03 Deposits

All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, financial institutions, or other depository as the board or a designated committee of the board may select.

#### 7.04 Loans

No loans shall be contracted on behalf of the corporation and no evidence of indebtedness shall be issued in its name unless authorized by resolution of the board. Such authority may be general or confined to specific instances.

#### 7.05 Indemnification

(a) Mandatory Indemnification. The corporation shall indemnify a trustee or former trustee, who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which he or she was a party because he or she is or was a trustee of the corporation against reasonable expenses incurred by him or her in connection with the proceedings.

(b) Permissible Indemnification. The corporation shall indemnify a trustee or former trustee made a party to a proceeding because he or she is or was a trustee of the corporation, against liability incurred in the proceeding, if the determination to indemnify him or her has been made in the manner prescribed by the law and payment has been authorized in the manner prescribed by law.

(c) Advance for Expenses. Expenses 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, as authorized by the board of trustees in the specific case, upon receipt of (I) a written affirmation from the trustee, officer, employee or agent of his or her good faith belief that

he or she is entitled to indemnification as authorized in this article, and (II) an undertaking by or on behalf of the trustee, officer, employee or agent to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the corporation in these Bylaws.

**(d) Indemnification of Officers, Agents and Employees.** An officer of the corporation who is not a trustee is entitled to mandatory indemnification under this article to the same extent as a trustee. The corporation may also indemnify and advance expenses to an employee or agent of the corporation who is not a trustee, consistent with Montana Law and public policy, provided that such indemnification, and the scope of such indemnification, is set forth by the general or specific action of the board or by contract.

## **ARTICLE VIII**

### **MISCELLANEOUS**

#### **8.01 Books and Records**

The corporation shall keep correct and complete books and records of account and shall publish an annual financial statement on the official club website or in any other appropriate publication of general circulation. The corporation shall keep minutes of the proceedings of all meetings of its board of trustees by written consent in lieu of formal meeting, and a record of all actions taken by committees of the board. In addition, the corporation shall keep a copy of the corporation's Articles of Incorporation and Bylaws as amended to date, and shall make them available to the general public for review and inspection or accessible on the official organizational internet website.

#### **8.02 Fiscal Year**

The fiscal year of the corporation shall be from January 1 to December 31 of each year.

#### **8.03 Conflict of Interest**

The board shall adopt and periodically review a conflict of interest policy to protect the corporation's interest when it is contemplating any transaction or arrangement which may benefit any trustee, officer, employee, affiliate, or member of a committee with board-delegated powers.

#### **8.04 Nondiscrimination Policy**

The officers, trustees, committee members, and persons or entities served by this corporation shall be selected entirely on a nondiscriminatory basis with respect to age, sex, race, religion, national origin, and sexual orientation. It is the policy of The Epagneul Breton Foundation, Inc., not to discriminate on the basis of race, creed, ancestry, marital status, gender, sexual orientation, age, physical disability, veteran's status, political service or affiliation, color, religion, or national origin.

## **8.05 Bylaw Amendment**

These Bylaws may be amended, altered, repealed, or restated by a vote of a two thirds majority of the board of trustees then in office at a meeting of the Board, provided, however,

(a) that no amendment shall be made to these Bylaws which would cause the corporation to cease to qualify as an exempt corporation under Section 501 (c)(3) of the Internal Revenue Code of 1986, or the corresponding section of any future Federal tax code; and,

(b) that an amendment does not affect the voting rights of trustees. An amendment that does affect the voting rights of trustees further requires ratification by a two-thirds vote of a quorum of trustees at a Board meeting; and,

(c) that all amendments be consistent with the Articles of Incorporation.

## **ARTICLE IX**

### **COUNTERTERRORISM AND DUE DILIGENCE POLICY**

In furtherance of its exemption by contributions to other organizations, domestic or foreign, The Epagneul Breton Foundation, Inc., shall stipulate how the funds will be used and shall require the recipient to provide the corporation with detailed records and financial proof of how the funds were utilized.

Although adherence and compliance with the U.S. Department of the Treasury's publication the "Voluntary Best Practice for U.S. Based Charities" is not mandatory, The Epagneul Breton Foundation, Inc., willfully and voluntarily recognizes and puts to practice these guidelines and suggestions to reduce, develop, re-evaluate and strengthen a risk-based approach to guard against the threat of diversion of charitable funds or exploitation of charitable activity by terrorist organizations and their support networks.

The Epagneul Breton Foundation, Inc., shall also comply and put into practice the federal guidelines, suggestion, laws and limitation set forth by pre-existing U.S. legal requirements related to combating terrorist financing, which include, but are not limited to, various sanctions programs administered by the Office of Foreign Assets Control (OFAC) in regard to its foreign activities.

## ARTICLE X

### DOCUMENT RETENTION POLICY

#### 10.01 Purpose

The purpose of this document retention policy is establishing standards for document integrity, retention, and destruction and to promote the proper treatment of The Epagneul Breton Foundation, Inc., records.

#### 10.02 Policy

Section 1. General Guidelines. Records should not be kept if they are no longer needed for the operation of the business or required by law. Unnecessary records should be eliminated from the files. The cost of maintaining records is an expense which can grow unreasonably if good housekeeping is not performed. A mass of records also makes it more difficult to find pertinent records.

From time to time, The Epagneul Breton Foundation, Inc., may establish retention or destruction policies or schedules for specific categories of records in order to ensure legal compliance, and also to accomplish other objectives, such as preserving intellectual property and cost management. Several categories of documents that warrant special consideration are identified below. While minimum retention periods are established, the retention of the documents identified below and of documents not included in the identified categories should be determined primarily by the application of the general guidelines affecting document retention, as well as the exception for litigation relevant documents and any other pertinent factors.

Section 2. Exception for Litigation Relevant Documents. The Epagneul Breton Foundation, Inc., expects all officers, trustees, and employees to comply fully with any published records retention or destruction policies and schedules, provided that all officers, trustees, and employees should note the following general exception to any stated destruction schedule: If you believe, or The Epagneul Breton Foundation, Inc., informs you, that corporate records are relevant to litigation, or potential litigation (i.e. a dispute that could result in litigation), then you must preserve those records until it is determined that the records are no longer needed. That exception supersedes any previously or subsequently established destruction schedule for those records.

#### Section 3. Minimum Retention Periods for Specific Categories

**(a) Corporate Documents.** Corporate records include the corporation's Articles of Incorporation, Bylaws and IRS Form 1023 and Application for Exemption. Corporate records should be retained permanently. IRS regulations require that the Form 1023 be available for public inspection upon request.

**(b) Tax Records.** Tax records include, but may not be limited to, documents concerning payroll, expenses, proof of contributions made by donors, accounting procedures, and other documents concerning the corporation's revenues. Tax records should be retained for at least seven years from the date of filing the applicable return.

**(c) Employment Records/Personnel Records.** State and federal statutes require the corporation to keep certain recruitment, employment and personnel information. The corporation should also keep personnel files that reflect performance reviews and any complaints brought against the corporation or individual employees under applicable state and federal statutes. The corporation should also keep in the employee's personnel file all final memoranda and correspondence reflecting performance reviews and actions taken by or against personnel. Employment applications should be retained for three years. Retirement and pension records should be kept permanently. Other employment and personnel records should be retained for seven years.

**(d) Board and Board Committee Materials.** Meeting minutes should be retained in perpetuity in the corporation's minute book. A clean copy of all other Board and Board Committee materials should be kept for no less than three years by the corporation.

**(e) Press Releases/Public Filings.** The corporation should retain permanent copies of all press releases and publicly filed documents under the theory that the corporation should have its own copy to test the accuracy of any document a member of the public can theoretically produce against the corporation.

**(f) Legal Files.** Legal counsel should be consulted to determine the retention period of particular documents, but legal documents should generally be maintained for a period of seven years.

**(g) Marketing and Sales Documents.** The corporation should keep final copies of marketing and sales documents for the same period of time it keeps other corporate files, generally three years. An exception to the three-year policy may be sales invoices, contracts, leases, licenses, and other legal documentation. These documents should be kept for at least three years beyond the life of the agreement.

**(h) Development/Intellectual Property and Trade Secrets.** Development documents are often subject to intellectual property protection in their final form (e.g., patents and copyrights). The documents detailing the development process are often also of value to the corporation and are protected as a trade secret where the corporation:

**(i)** derives independent economic value from the secrecy of the information; and

**(ii)** has taken affirmative steps to keep the information confidential.

The corporation should keep all documents designated as containing trade secret information for at least the life of the trade secret.

(i) Contracts. Final, execution copies of all contracts entered into by the corporation should be retained. The corporation should retain copies of the final contracts for at least three years beyond the life of the agreement, and longer in the case of publicly filed contracts.

(j) Correspondence. Unless correspondence falls under another category listed elsewhere in this policy, correspondence should generally be saved for two years.

(k) Banking and Accounting. Accounts payable ledgers and schedules should be kept for seven years. Bank reconciliations, bank statements, deposit slips and checks (unless for important payments and purchases) should be kept for seven years. Any inventories of products, materials, and supplies and any invoices should be kept for seven years.

(l) Insurance. The Board in its discretion, taking into account foundation resources, may elect to maintain appropriate insurance or a surety bond. Expired insurance policies, insurance records, accident reports, claims, etc. should be kept permanently.

(m) Audit Records. External audit reports should be kept permanently. Only Internal audit reports, if directed by the board, should be kept for seven years.

(n) Annual Financial Statement. An annual Financial Statement demonstrating the basic Assets and Liabilities of the foundation along with categories of Revenues and Expenditures for the applicable year shall be published by the Treasurer on the club's official website and in any other approved publication as soon as practicable after January 1 of each successive calendar year.

Section 4. Electronic Mail. E-mail that needs to be saved should be either:

(a) printed in hard copy and kept in the appropriate file; or

(b) downloaded to a computer file and kept electronically or on disk as a separate file. The retention period depends upon the subject matter of the e-mail, as covered elsewhere in this policy.

## ARTICLE XI

### TRANSPARENCY AND ACCOUNTABILITY

#### DISCLOSURE OF FINANCIAL INFORMATION WITH THE GENERAL PUBLIC

##### 11.01 Purpose

By making full and accurate information about its mission, activities, finances, and governance publicly available, The Epagneul Breton Foundation, Inc., practices and encourages transparency and accountability to the general public. This policy will:

(a) indicate which documents and materials produced by the corporation are presumptively open to staff and/or the public

(b) indicate which documents and materials produced by the corporation are presumptively closed to staff and/or the public

(c) specify the procedures whereby the open/closed status of documents and materials can be altered.

The details of this policy are as follow:

#### **11.02 Financial and IRS documents (The form 1023 and the form 990)**

The Epagneul Breton Foundation, Inc., shall provide its Internal Revenue forms 990, 990-T, 1023 and 5227, bylaws, conflict of interest policy, and financial statements to the general public for inspection free of charge upon written request for same.

#### **11.03 Means and Conditions of Disclosure**

The Epagneul Breton Foundation, Inc., shall make “Widely Available” the aforementioned documents on its internet website to be viewed and inspected by the general public.

(a) The documents shall be posted in a format that allows an individual using the Internet to access, download, view and print them in a manner that exactly reproduces the image of the original document filed with the IRS (except information exempt from public disclosure requirements, such as contributor lists).

(b) The website shall clearly inform readers that the document is available and provide instructions for downloading it.

(c) The Epagneul Breton Foundation, Inc., shall not charge a fee for downloading the information. Documents shall not be posted in a format that would require special computer hardware or software (other than software readily available to the public free of charge).

(d) The Epagneul Breton Foundation, Inc., shall inform anyone requesting the information where this information can be found, including the web address. This information must be provided immediately for in-person requests and within fifteen (5) days for mailed requests, unless circumstances require a reasonable amount of additional time to be specified by the officer responding to the request.

#### **11.04 IRS Annual Information Returns (Form 990)**

The Epagneul Breton Foundation, Inc., shall submit the Form 990 or any similar IRS reporting form to its board of trustees prior to the filing of the Form 990 or any similar IRS reporting form. While neither the approval of the Form 990 or any similar IRS reporting form or a review of the 990 is required under Federal law, the corporation’s Form 990 or any similar IRS reporting form shall be submitted to each member of the board of Trustees via (hard copy or email) at least 10 days before the Form 990 or any similar IRS form is filed with the IRS.



### **11.05 Board**

- (a) All board deliberations shall be closed to the public except where the board passes a motion to make any specific portion open to the public.
- (b) All board minutes shall be open to the public once accepted by the board, except where the board passes a motion to make any specific portion confidential.
- (c) All papers and materials considered by the board shall be open to the public following the meeting at which they are considered, except where the board passes a motion to make any specific paper or material confidential.

### **11.06 Staff Records**

- (a) All staff records shall be available for consultation by the staff member concerned or by their legal representatives.
- (b) No staff records shall be made available to any person outside the corporation except the authorized governmental agencies.
- (c) Within the corporation, staff records shall be made available only to those persons with managerial or personnel responsibilities for that staff member, except that
- (d) Staff records shall be made available to the board when requested.

### **11.07 Donor Records**

- (a) All donor records shall be available for consultation by the affiliate and donor concerned or by their legal representatives.
- (b) No donor records shall be made available to any other person outside the corporation except authorized governmental agencies or pursuant to subpoena or voluntary consent to release such information.
- (c) Within the corporation, donor records shall be made available only to those persons with managerial or personnel responsibilities for dealing with those donors, except that;
- (d) Donor records shall be made available to the board when requested.

## **ARTICLE XII**

### **CODE OF ETHICS AND WHISTLEBLOWER POLICY**

#### **12.01 Purpose**

The Epagneul Breton Foundation, Inc., requires and encourages Trustees, officers and any eventual employees to observe and practice high standards of business and personal ethics in the

conduct of their duties and responsibilities. The employees and representatives of the corporation must practice honesty and integrity in fulfilling their responsibilities and comply with all applicable laws and regulations. It is the intent of The Epagneul Breton Foundation, Inc., to adhere to all laws and regulations that apply to the corporation and the underlying purpose of this policy is to support the corporation's goal of legal compliance. The support of all board members is necessary to achieving compliance with various laws and regulations.

### **12.02 Reporting Violations**

If any director, officer, staff or employee reasonably believes that some policy, practice, or activity of The Epagneul Breton Foundation, Inc., is in violation of law, a written complaint must be filed by that person with the vice chairman or vice president of the corporation or the board chairman and president of the corporation.

### **12.03 Acting in Good Faith**

Anyone filing a complaint concerning a violation or suspected violation of the Code must be acting in good faith and have reasonable grounds for believing the information disclosed indicates a violation of the Code. Any allegations that prove not to be substantiated and which prove to have been made maliciously or knowingly to be false shall be viewed as a serious disciplinary offense.

### **12.04 Retaliation**

Said person is protected from retaliation only if she/he brings the alleged unlawful activity, policy, or practice to the attention of The Epagneul Breton Foundation, Inc., and provides The Epagneul Breton Foundation, Inc., with a reasonable opportunity to investigate and correct the alleged unlawful activity. The protection described below is only available to individuals that comply with this requirement.

The Epagneul Breton Foundation, Inc., shall not retaliate against any trustee, officer, staff or employee who in good faith, has made a protest or raised a complaint against some practice of the Epagneul Breton Foundation, Inc., or of another individual or entity with whom The Epagneul Breton Foundation, Inc., has a business relationship, on the basis of a reasonable belief that the practice is in violation of law, or a clear mandate of public policy.

The Epagneul Breton Foundation, Inc., shall not retaliate against any trustee, officer, staff or employee who disclose or threaten to disclose to a supervisor or a public body, any activity, policy, or practice of The Epagneul Breton Foundation, Inc., that the individual reasonably believes is in violation of a law, or a rule, or regulation mandated pursuant to law or is in violation of a clear mandate of public policy concerning the health, safety, welfare, or protection of the environment.

### **12.05 Confidentiality**

Violations or suspected violations may be submitted to the board chairman and president of the corporation or board vice chairman and vice-president of the corporation on a confidential basis by the complainant or may be submitted anonymously. Reports of violations or suspected violations shall be kept confidential to the extent possible, consistent with the need to conduct an adequate investigation.

### **12.06 Handling of Reported Violations**

The board chairman and president of the corporation or board vice chairman and vice president of the corporation shall notify the sender and acknowledge receipt of the reported violation or suspected violation within five business days. All reports shall be promptly investigated by the board and its appointed committee and appropriate corrective action shall be taken if warranted by the investigation.

This policy shall be made available to all trustees, officers, staffs or employees and they shall have the opportunity to ask questions about the policy.

## **ARTICLE XIII**

### **AMENDMENT OF ARTICLES OF INCORPORATIONS**

#### **13.01 Amendment**

Any amendment to the Articles of Incorporation may be adopted by approval of two-thirds (2/3) of the Board of Trustees.

### **CERTIFICATE OF ADOPTION OF BYLAWS**

I do hereby certify that the above stated Bylaws of the Epagneul Breton Foundation, Inc., were approved by The Epagneul Breton Foundation Inc.'s board of trustees on December 29, 2015, and constitute a complete copy of the Bylaws of the corporation until hereafter amended.

The Epagneul Breton Foundation, Inc.

By: s/Robert E. Olson, Jr

Chairman of the Board and President

Attest: s/ C. Frederick Overby

Corporate Secretary of the Corporation

*(Seal of the Corporation)*