

# **BYLAWS**

## **PEOPLE FOR THE PLAYA WATER RESOURCES, INC.**

### **PREAMBLE**

People for the Playa Water Resources, Inc. seeks to partner with the community to help low-income Arizona residents in the Willcox Groundwater Basin who have been impacted by the declining groundwater supplies and are in need of domestic water for their homes so that they may live and thrive with their families. People for the Playa Water Resources, Inc. seeks to work with volunteers and sponsors from all walks of life who are dedicated to this purpose.

### **ARTICLE I – NAME AND FORM OF ORGANIZATION**

#### **1.01 NAME**

The name of this Arizona Corporation is People for the Playa Water Resources, Inc. (the "Corporation") and the territory in Arizona that the Corporation covers is the Willcox Groundwater Basin as defined by the Arizona Department of Water Resources, which includes portions of Cochise and Graham counties. The business of the Corporation may be conducted as People for the Playa.

#### **1.02 STATUS**

The Corporation is organized as a nonprofit corporation under the Arizona Nonprofit Corporation Act and is seeking tax-exempt organization status under Section 501(c)(3) of the Internal Revenue Code, as amended. The Corporation is a public charity, focused on charitable and educational, not-for-profit activities. It shall have perpetual duration and succession.

#### **1.03 MEMBERS**

The Corporation shall have members as defined by Article X.

### **ARTICLE II - OFFICES**

#### **2.01 LOCATION**

The principal office for the transaction of the business of the Corporation ("principal executive office") is located in Pearce, Cochise County, Arizona. The principal executive office may be changed from one location to another by the Board of Directors.

### **ARTICLE III – PURPOSE, MISSION, AND OBJECTIVES**

#### **3.01 PURPOSE**

People for the Playa Water Resources, Inc. is a nonprofit corporation and is not organized for the private gain of any person. It is seeking to be organized under Section 501(c)(3) of the

Internal Revenue Code or the corresponding section of any future federal tax code for charitable and educational purposes.

### **3.02 MISSION**

People for the Playa Water Resources, Inc. partners with the community to help low-income Arizona residents in the Willcox Groundwater Basin who lack an adequate domestic water supply reestablish their domestic water self-sufficiency as groundwater supplies decline.

### **3.03 OBJECTIVES**

To accomplish the Mission stated above, this Corporation shall:

1. Form a Board of Directors organized in accordance with the State of Arizona laws governing nonprofit organizations;
2. Build and grow a membership of dedicated individuals who support the Mission of the Corporation;
3. Follow the guidelines established by Grantor(s) for the fair and nondiscriminatory implementation of their program(s); where guidelines are not pre-established, develop clear guidelines for providing fair and nondiscriminatory assistance;
4. Prepare a plan for public solicitation of the community to identify those who have been impacted by the declining groundwater supplies and lack an adequate supply of domestic water, and who are in need of assistance with reestablishing their water self-sufficiency;
5. Cooperate with other organizations who are working to provide domestic water solutions for economically disadvantaged people;
6. Keep accurate financial records that are open for review and have them audited annually;
7. Develop and implement a plan for ongoing water-related educational programs to inform the community of options and alternatives available for maintaining or reestablishing their water self-sufficiency.

## **ARTICLE IV – CORPORATE AND FINANCIAL RECORDS**

### **4.01 CORPORATE RECORDS**

In its office, the Corporation shall keep as records:

1. A record of actions taken by the Board;
2. Articles of Incorporation and all amendments;
3. Bylaws and all amendments;
4. A complete list of the addresses and terms of the office of its Directors and Officers; and the most recent Annual Report delivered to the Arizona Corporation Commission as required by the Arizona Nonprofit Corporation Act.



#### 4.02 ANNUAL BUDGET

The Finance Committee in consultation with the President shall propose an annual budget for the following fiscal year to be submitted to the Board of Directors for approval in December of each year.

#### 4.03 EXPENDITURES

Expenditures shall be made in accordance with the approved annual budget unless otherwise authorized by the Board of Directors. All checks and other orders for payment of money which total seven hundred fifty dollars (\$750.00) or more and which are issued in the name of the Corporation, shall be signed by the President and the Treasurer, or the President and one Board Officer. All checks and other orders for payment of money which total less than seven hundred fifty dollars (\$750.00) and which are issued in the name of the Corporation shall be signed by either the President or the Treasurer, or by one Board Officer.

#### 4.04 ACCOUNTS

All receipts and expenditures shall be processed within the framework of standard accounting practices acceptable to the Board, adopted by the Finance Committee, and approved by the Board.

#### 4.05 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.

#### 4.06 FISCAL YEAR

The fiscal year of the Corporation is January 1 of each year through December 31 of the that year.

#### 4.07 FINANCIAL REPORTS

The Treasurer or his or her representative shall make financial reports, when available, to the Board of Directors at its regularly scheduled meetings. The books of the Corporation shall be closed at the end of each fiscal year (December 31) with financial statements prepared and submitted by the Treasurer to the Board of Directors.

#### 4.08 ANNUAL AUDIT

The Board of Directors shall provide for an annual audit by an independent Certified Public Accountant.

#### 4.09 DISTRIBUTION UPON DISSOLUTION

Upon termination or dissolution of the Corporation, any assets and resources lawfully available for distribution shall be distributed to one (1) or more qualifying organizations described in Section 501(c)(3) of the 1986 Internal Revenue Code (or described in any corresponding provision of any successor statute) which have a charitable purpose which, generally, includes a purpose similar to the terminating or dissolving Corporation.

- (a) The organization to receive the assets of the Corporation hereunder shall be selected at the discretion of a majority of the Board of Directors of the Corporation, and if its Board cannot so agree, then the recipient organization shall be selected pursuant to a verified petition in equity filed in a court of proper jurisdiction against the Corporation by one (1) or more of its Board Members, which verified petition shall contain such statements as reasonably indicate the applicability of this section. The court upon a finding that this section is applicable shall select the qualifying organization or organizations to receive the assets and resources to be distributed, giving preference if practicable to organizations located within the State of Arizona.
- (b) In the event that the court shall find that this section is applicable but that there is no qualifying organization known to it which has a charitable purpose, which, at least generally, includes a purpose similar to the Corporation, then the court shall direct the distribution of its assets lawfully available for distribution to the Treasurer of the State of Arizona to be added to the general fund.

## **ARTICLE V – BOARD OF DIRECTORS**

### **5.01 MINIMUM REQUIREMENTS AND ELECTION OF DIRECTORS**

Directors need to be residents of the State of Arizona and be at least eighteen (18) years of age. Directors are to be elected at the Annual Meeting by majority vote, or at other meetings should a vacancy arise. The election of Directors to replace those who have fulfilled their term of office shall take place in January of each year.

In order to qualify, each candidate for Director shall demonstrate a willingness to:

1. Support the Corporation's Mission and Objectives;
2. Attend and participate in Board meetings;
3. Actively serve on at least one of the operating Committees; and
4. Represent the Corporation within the community in civic and social groups

### **5.02 POWERS**

The business and affairs of the Corporation shall be managed, and all corporate powers shall be exercised, by and under the direction of the Board of Directors.

### **5.03 NUMBER**

The number of elected Directors shall be not less than three (3) nor more than fifteen (15). Within the range the Board of Directors may fix the exact number of elected Directors. Any reduction in the authorized number of elected Directors shall not be cause for removing any Director prior to the expiration of his or her term of office. One (1) person may hold two (2) or more Offices, but no Corporate Officer may act in more than one (1) capacity where action of two (2) or more Corporate Officers is required.

### **5.04 TERM AND STAGGERING**



- (a) Other than the initial Board of Directors, all Directors shall be elected to serve two-year terms; however, the terms may be extended until a successor has been elected.
- (b) For its first full term, the initial five-member Board of Directors shall serve staggered terms, with the persons elected President and Vice-President serving three (3) years each, the persons elected as Secretary and Treasurer serving two (2) years each, and the At-Large Board member(s) serving one (1) year. Directors are limited to six (6) consecutive years with an ineligibility period of one (1) year following the expiration of their six (6) year full term. Each Director must maintain member-in-good-standing status.
- (c) The term of office shall begin at the Annual Meeting in January and end at the next Annual Meeting where an election is held. A term may be extended by an act of the Board in situations where a successor has not yet been elected or is otherwise not able to serve beginning at the Annual Meeting.
- (d) The Board of Directors may adjust the terms of Directors periodically in order to maintain an evenly staggered Board of Directors.

#### 5.05 VACANCIES

The Board of Directors may fill vacancies due to the expiration of a Director's term of office, resignation, death, or removal of a Director or may appoint new Directors to fill a previously unfilled position, subject to the maximum number of Directors under these Bylaws. The person selected to fill the vacancy serves the balance of the term of the Director being replaced.

#### 5.06 REMOVAL OR RESIGNATION OF DIRECTORS

A Director may be removed, for cause or no cause, by vote of two-thirds (2/3) of Directors then in office (other than the Director being removed), with the vote being held during a meeting of the Board. At least 72 hours before the meeting, the Board shall send the Director in question written or electronic notification of the Board's intention to discuss their case at the meeting and to give them the opportunity to be heard at the meeting. A Director may resign by notifying the Board in written or electronic form of their intent to resign at least 72 hours before the next Board meeting. The Board shall select a replacement at their next meeting.

#### 5.07 COMPENSATION FOR BOARD MEMBERS FOR SERVICES

Directors shall serve without remuneration; however, the Board of Directors may authorize the Corporation to reimburse a Director of expenses actually incurred by the Director in the conduct of the affairs of the Corporation.

#### 5.08 COMPENSATION FOR PROFESSIONAL SERVICES BY DIRECTORS

Directors shall not be remunerated for professional services provided to the Corporation, in accordance with the Conflict-of-Interest policy and state law.

#### 5.09 MANNER OF ACTING

Commitment and Ethics. Each Director must maintain a high commitment to the stated Mission and Purpose of the Corporation and exhibit the highest ethical standards in the conduct of business as suggested among nonprofit organizations. Those Directors brought into question under this rule shall have a hearing before a special committee of the Board and, when their

behavior is judged to be in conflict with the duties or ethical obligations of their role, or found to be incompatible with the best interests of the Corporation, shall be removed from the Board of Directors.

## **ARTICLE VI – MEETINGS OF BOARD OF DIRECTORS**

### **6.01 ANNUAL MEETING**

The annual meeting of the Board of Directors shall be held during the month of January at such date, time, and place as may be fixed by the Board of Directors. At the annual meeting officers of the Board of Directors shall be elected; the budget for the upcoming fiscal year shall be submitted for review and approval; and the various members and volunteers shall be recognized. The main purpose of the annual meeting is to summarize the activities of the Corporation for the previous year and to present the goals of the Corporation for the following year, and the vision for the future.

### **6.02 REGULAR MEETINGS**

The Board of Directors shall have a minimum of four (4) regular meetings each calendar year at times and places fixed by the Board. Regular meeting dates shall be determined at the Annual Meeting and recorded in the minutes.

### **6.03 SPECIAL MEETINGS**

Special meetings of the Board of Directors may be called by the President, Vice President, Secretary, or Treasurer. A special meeting must be preceded by at least two (2) days' notice to each Director of the date, time, and place, but not the purpose, of the meeting.

### **6.04 EXECUTIVE SESSIONS**

The Board may choose to enter Executive Session at any Regular or Special Meeting by a majority vote of the Board of Directors in attendance at the meeting. The Board may enter Executive Session at other times at the direction of a majority of the Board of Directors.

### **6.05 PRESIDING OVER MEETINGS**

All annual, regular, and special meetings of the Board of Directors shall be presided over by the President, or in the absence of the President, by the Vice President. If neither the President nor the Vice President is present at the meeting, the Secretary shall call the meeting to order, and in the absence of the Secretary, the Treasurer shall call the meeting to order. The first order of business for such meeting shall be to appoint by majority vote of the Directors a President *pro tem* to preside over that meeting. Upon appointment, the meeting shall proceed as scheduled.

### **6.06 NOTICE OF MEETINGS**

A reminder notice of the regular meeting shall be provided seven (7) days in advance of the regular meeting by first-class mail, electronic mail, or facsimile transmission at the address of each Director as disclosed on the records of the Corporation; or forty-eight (48) hours in advance for reminder notice delivered personally or by telephone. 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. The purpose of the meeting nor the business to be transacted at the meeting need not be specified. Any Director may waive notice of any meeting, in accordance with Arizona law.

#### 6.07 MEETING BY TELEPHONE OR VIDEO CONFERENCING

Any meeting, regular, special or executive session, may be held by conference telephone, video conferencing, or similar communication equipment, so long as all Directors participating in the meeting can hear one another, and all such Directors shall be deemed to be present in person at such meeting.

#### 6.08 QUORUM AND VOTING

A majority of Directors then serving shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, and the act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless a greater number is required by law or these Bylaws. No business shall be considered by the Board at any meeting at which a quorum is not present.

On the occasion that Directors are unable to make a decision based on a tied number of votes, the President or Vice President in the order of presence shall have the power to attempt to swing the vote based on their discretion.

#### 6.09 WAIVER OF NOTICE

The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (a) a quorum is present, and (b) either before or after the meeting, each of the Directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. All waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of the meeting shall also be deemed given to any Director who attends the meeting without protesting before its commencement about the lack of adequate notice.

#### 6.10 PRESUMPTION OF ASSENT

A Director of the Corporation who is present at the meeting of the Board of Directors or Committee of the Board when corporate action is taken is deemed to have assented to the action taken unless:

1. such Director's dissent or abstention from action taken is entered into the minutes of the meeting; or
2. such Director delivers written notice of dissent or abstention to the Presiding Officer of the meeting before adjournment or to the Corporation immediately after adjournment of the meeting.

The right of dissent or abstention is unavailable to a Director who votes in favor of the action taken.

#### **6.11 ADJOURNMENT**

A majority of the Directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place.

#### **6.12 NOTICE OF ADJOURNMENT**

Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than twenty-four (24) hours, in which case personal notice of the time and place shall be given before the time of the adjourned meeting to the Directors who were present at the time of the adjournment.

#### **6.13 ACTION WITHOUT MEETING**

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

### **ARTICLE VII – OFFICERS**

#### **7.01 OFFICERS**

The Officers of People for the Playa Water Resources, Inc. shall be President, Vice President, Secretary, and Treasurer.

#### **7.02 ELECTION AND TERMS**

Officers shall be nominated and elected at the Annual Meeting of the Board of Directors by a majority of the Members in-good-standing in attendance. Each Officer shall serve terms as detailed in section 5.04.

#### **7.03 DUTIES**

The Officers shall perform the duties prescribed by these Bylaws and by the parliamentary authority adopted by the Corporation. As stated in section 5.03, one (1) person may hold two (2) or more Offices, but no Officer may act in more than one (1) capacity where action of two (2) or more Officers is required.

#### **7.04 REMOVAL AND RESIGNATION**

The Board of Directors may remove any Officer at any time, with or without cause. An Officer may resign at any time by delivering written notice to the Corporation at its known place of business. A resignation is effective when the notice is delivered unless the notice specifies a later effective date or event.



## ARTICLE VIII - OFFICER DUTIES

### 8.01 PRESIDENT

The President shall preside at all meetings of the Board of Directors and Executive Committee; and perform such other duties as may be deemed necessary or recommended by the Board of Directors.

### 8.02 VICE PRESIDENT

The Vice President shall assist the President in the performance of the prescribed duties, assume the duties of the President in the absence of that Officer, and perform such other duties as may be assigned by the President. If so appointed pursuant to these Bylaws, the Vice President may also be entitled to be a member of any committees. The Vice President shall normally accede to the office of President upon the completion of the President's term of office.

### 8.03 SECRETARY

The Secretary shall (a) keep the minutes of the proceedings of the Board of Directors and all unanimous written consents of the Board of Directors in one (1) or more books provided for that purpose, (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law, (c) be custodian of the corporate records and of any seal of the Corporation, (d) when requested or required, authenticate any records of the Corporation, and (e) in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the Board of Directors. In the absence of the Secretary or as may be requested by the Board of Directors, a secretary *pro tempore* may be chosen by the Directors as appropriate to perform the duties of the Secretary.

### 8.04 TREASURER

The Treasurer or his or her designee as approved by the Board of Directors shall (a) have charge and custody of and be responsible for all funds and securities of the Corporation, (b) receive and give receipts for moneys due and payable to the Corporation from any source whatsoever, and deposit all such moneys in the name of the Corporation in such bank, trust companies, or other depositories as shall be selected by the Board of Directors or any Officer, (c) keep full and accurate accounts of receipts and disbursements in books and records of the Corporation, and (d) in general perform all of the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors. The Treasurer will render to the Board of Directors at proper times an account of all his or her transactions as Treasurer and of the financial condition of the Corporation. The Treasurer shall be responsible for preparing and filing such financial reports, financial statements, and returns as may be required by law or others. 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.

### 8.05 OTHER OFFICERS

Such other Officers and assistant Officers as may be deemed necessary, including any Vice Presidents, may be appointed by the Board of Directors and shall perform those duties

prescribed by the Board of Directors. If specifically authorized by the Board of Directors, an Officer may appoint one (1) or more other Officers or assistant Officers. The same individual may simultaneously hold more than one (1) office in the Corporation.

## **ARTICLE IX - EXECUTIVE COMMITTEE**

### **9.01 COMPOSITION**

There shall be an Executive Committee consisting of the elected Officers of the Board of Directors and the immediate past-President (who shall be a nonvoting member of the Executive Committee) and any others as selected by the President and approved by the Board of Directors.

### **9.02 AUTHORITY**

The Executive Committee is authorized to transact the business of the Corporation between regular Board of Directors' meetings, making decisions which cannot wait for regular Board of Directors' meetings. Reports of actions taken shall be made at the next regular Board of Directors' meeting. Minutes of the Executive Committee must be kept. However, all major financial, legal, or administrative changes must be submitted for approval to the Board of Directors at a regular or specially called meeting.

### **9.03 ANNUAL MEETING**

The Executive Committee plans and conducts the Annual Meeting of the Board of Directors.

## **ARTICLE X – MEMBERS**

### **10.01 ELIGIBILITY**

Any person at least 18 years of age expressing an interest in supporting the Mission of People for the Playa Water Resources, Inc. (Section 3.02) is considered eligible for membership. All Members must have any dues currently in paid-up status, as defined by the Board of Directors, to be considered as "in-good-standing."

### **10.02 MEMBERSHIP PROGRAMS**

Members may participate in the Corporation's fundraising and educational programs, as well as other programs as defined by the Board of Directors.

### **10.03 MEMBERSHIP DUES**

Unless otherwise designated by the Board of Directors, the Corporation shall have annual membership dues.

### **10.04 VOTING PRIVILEGES**

Each Member in-good-standing shall have one (1) vote on motions presented at the Annual Meeting, in elections for the Board of Directors, and at special scheduled meetings of the Corporation. Membership is not transferable and does not allow any rights or interest in the assets or income of the Corporation. No proxy votes are permitted.



## **ARTICLE XI – COMMITTEES**

### **11.01 CREATION OF COMMITTEES**

The Board of Directors of People of the Playa Water Resources, Inc. shall create the Committees established in these Bylaws and any others deemed necessary to carry out the policies and programs of the Corporation. Each duly elected Director shall be a member of at least one committee; and each committee shall have at least one duly elected Director as a member.

### **11.02 TYPES OF COMMITTEES**

The Corporation shall have two (2) types of Committees: Standing Committees that address ongoing needs of the Corporation and Special Committees that address tasks, issues, or needs of a shorter term and/or finite duration. Each Standing Committee shall keep minutes of all meetings, and minutes shall be submitted to the Secretary within a week after each meeting.

### **11.03 STANDING COMMITTEES**

There shall be five (5) standing committees. Each shall be Chaired by a duly elected Director.

1. Membership
2. Finance
3. Resource Development
4. Solicitation
5. Communications and Education

### **11.04 APPOINTEMENT TO STANDING COMMITTEES**

Members of each standing committee shall be appointed by the Board of Directors. Unless otherwise stated in these Bylaws, Standing Committees shall be made up of only members of the Corporation who are in-good-standing.

### **11.05 SPECIAL COMMITTEES**

The Board of Directors by resolution may from time-to-time designate Special Committees for specific purposes. The resolution designating the committee shall state its purpose and provide for its termination. Special committees may also be established by the President at his or her discretion.

### **11.06 RESPONSIBILITIES – GENERALLY**

1. Each committee Chair is required to attend Board of Directors meetings when requested by the Board of Directors.
2. A designated Board of Directors member shall be present at all regularly scheduled committee meetings, if possible.
3. All committees are directly accountable to the Board of Directors and shall report to the Executive Committee.

#### 11.07 MEMBERSHIP COMMITTEE

The Membership Committee shall identify and encourage others to join the Corporation. Additionally, they are responsible for promoting membership, acquiring new members, maintaining the current membership list, and maximizing membership engagements. A member of the Board shall serve as Committee President and voting member of this Committee.

#### 11.08 FINANCE COMMITTEE

The Finance Committee shall review all financial statements and reports, interact with the outside auditors, assure adequate insurances are in place to protect the Corporation, its Employees, Officers and Directors, and monitor preparation of all financial plans and forecasts. Other functions of this Committee shall be to advise the Board on appropriate budgeting and accounting practices as a nonprofit corporation, monitor income and expenditures, and work with the Board identified auditor to conduct an annual audit as directed by the Board. The Finance Committee shall be Chaired by the Treasurer and shall be composed of at least three (3) members all of whom shall be Board members.

#### 11.09 RESOURCE DEVELOPMENT COMMITTEE

The Resource Development Committee shall have the responsibility of seeking funds necessary to accomplish the Corporation's Mission and for the operation and maintenance of the Corporation. This function may be accomplished through governmental or private foundation grants, corporate sponsors, personal contributions, in-kind services, special fundraising events, and similar resources. A member of the Board shall serve as Committee Chair and voting member of this Committee.

#### 11.10 SOLICITATION COMMITTEE

The Solicitation Committee shall have the responsibility for preparing a plan for public solicitation of the community to identify those who have been impacted by the declining groundwater supplies and lack an adequate supply of domestic water, and who are in need of assistance with reestablishing their water self-sufficiency. In addition, the Committee shall maintain an ongoing database of those who have been identified. A member of the Board shall serve as Committee Chair

#### 11.11 COMMUNICATIONS AND EDUCATION COMMITTEE

The Communications and Education Committee shall have the responsibility for supporting and promoting the Corporation's Mission. These responsibilities would include, but not be limited to, the creation, maintenance, and updates to the educational and other content of the Corporation's website, social media, and marketing. The Committee shall seek out subject matter experts and resources to align with its educational program, as needed. All information on and modifications to the Corporation's website shall be approved by the Communications and Education Committee prior to posting. A member of the Board shall serve as Committee Chair and a voting member of this Committee.



#### **11.12 TERMS OF COMMITTEE MEMBERSHIP**

Members of standing committees shall be considered to begin their term at the Annual Meeting in January and end at the next Annual Meeting where an election is held. At the discretion of the President, members of Standing Committees may continue to serve until a successor is appointed. Members of Special Committees shall serve for one (1) year or less, as specified when the Committee is established.

### **ARTICLE XII - LIMITATION OF LIABILITY**

#### **12.01 LIMITATION OF LIABILITY**

The Board of Directors and Officers shall be immune from personal liability with respect to all acts done and actions taken in good faith within the scope of their authority. The private property of the Board of Directors and Officers shall be exempt from debts and other liabilities of the Corporation.

#### **12.02 CONFLICT OF INTEREST**

The Board of Directors has adopted a policy regarding transactions between the Corporation and interested persons, including but not limited to the sale, lease or exchange of property to or from interested persons and the Corporation, the lending or borrowing of monies to or from interested persons by the Corporation or the payment of compensation by the Corporation for services provided by interested persons. For the purposes of this Article, "interested person" means any Director, Officer, or member of a committee with Board delegated powers, or any person in a position to exercise substantial influence over the affairs of the Corporation, who has a direct or indirect financial interest in the transaction under consideration.

### **ARTICLE XIII - INDEMNIFICATION**

The Corporation shall indemnify any and all of its existing and former Directors and Officers to the fullest extent permitted by Section 10-3851 of the Arizona Nonprofit Corporation Act. If the Arizona Nonprofit Corporation Act is amended to authorize corporate action broadening the Corporation's ability to indemnify its Directors and Officers, the Corporation shall indemnify its existing and former Directors and Officers to the fullest extent permitted by the Arizona Nonprofit Corporation Act, as amended. Any repeal or modification of this Article 13 shall not adversely affect any right or protection of any existing or former Director or Officer of the Corporation existing hereunder with respect to any act or omission occurring prior to or at the time of such repeal or modification.

### **ARTICLE XIV – AMENDMENTS OF BYLAWS**

#### **14.01 AMENDMENTS TO THE ARTICLES OF INCORPORATION**

Any amendment to People for the Playa Water Resources, Inc.'s Articles of Incorporation may be adopted by approval of two-thirds (2/3) of the Board.

#### 14.02 AMENDMENTS TO THE BYLAWS

These Bylaws may be amended, altered, repealed, or restated by a vote of the majority of Directors then in office at a meeting of the Board where a quorum is present, provided, however that:

- (a) no amendment shall be made to these Bylaws which would cause the Corporation to cease to qualify as a tax-exempt corporation under Section 501(c)(3) of the Internal Revenue Code of 1986, or the corresponding section of any future Federal tax code;
- (b) an amendment does not affect the voting rights of Directors. An amendment that does affect the voting rights of Directors further requires ratification by a two-thirds (2/3) vote of a quorum; and
- (c) all amendments be consistent with the Articles of Incorporation.

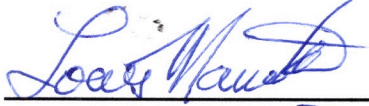
#### **ARTICLE XV– CORPORATE SEAL**

The official seal of People for the Playa Water Resources, Inc. shall consist of the words “PEOPLE FOR THE PLAYA WATER RESOURCES, INC.” and “ARIZONA” inscribed within two (2) concentric circles with the words “CORPORATE SEAL” inscribed inside the innermost circle.

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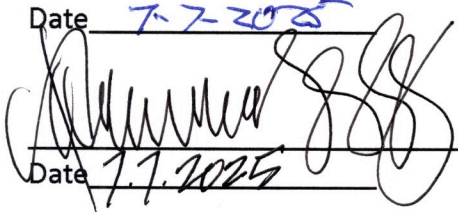


Certified a true and correct copy of the Bylaws was adopted on the 7<sup>th</sup> day of July 2025, by the Board of Directors of People of the Playa Water Resources, Inc. and have not been since amended or repealed and are the current Bylaws of the Corporation.



Louis Manuta, President

Date 7-7-2025



Terrence Kleber, Vice President

Date 7.7.2025