

BYLAWS

OF THE NORTHERN CALIFORNIA TAEKWONDO ASSOCIATION

ARTICLE I NAME

A.)The name of this organization is the Northern California Taekwondo Association, hereinafter also referred to as the Association. The abbreviation of the name of the association shall be NCTA.

ARTICLE II TYPE

A.)This association is a non-profit public benefit corporation and is not organized for the private gain of any person. It is organized under the Non-profit Public Benefit Corporation Law for charitable purposes.

ARTICLE III PURPOSES

A.)IRS Section 501(c)(3) purposes

This corporation is organized exclusively for charitable religious, educational, and/or scientific purposes as specified in Section 501(c)(3) of the Internal Revenue Code, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal revenue Code.

B.) The specific purposes of this association are:

This corporation is a non-profit organization established with the objective to promote physical and mental health benefits of the sport of Taekwondo among children and youth from 4 to 18 years old.

ARTICLE IV MEMBERS

A.) There shall be club and individual membership. The qualifications for membership and the method of becoming a member, and the rights and privileges of membership, the liability of members for dues and assessments, and the termination of membership shall be set forth in the Bylaws. All members shall be bound by the Bylaws and subject to the authority of the Association with respect to the purposes for which it is organized.

Section 1.

Club Memberships: Clubs eligible for membership shall:

- 1.Be bona fide clubs, educational institutions, or other organizations of a permanent nature which are primarily promoting amateur Taekwondo sports and games.
- 2.Have a minimum of ten registered individual members.
- 3.Have an instructor who is certified black belt by Kukkiwon and/or other recognized official martial arts organization, and is age 18 or over.

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4. Have established a Taekwondo Dojang or training facility which is used for the practice of Taekwondo.

5. Each club member shall submit an application for membership in a form prescribed by the Association with the annual membership fee. The annual membership fee may be determined by the Board of Governors annually.

6. The continued eligibility of each club for membership is conditioned on continued registration as a member and continued compliance with the Bylaws of the Association.

Section 2:

Each qualified club member is entitled to:

1. One voting delegate to serve on the Association's Board of Governors
2. To receive an appropriate recognition certificate, plaque, or NCTA flag

Section 3:

Duties of Each Club Member:

1. Each club shall give its support to events that have been sanctioned by the Association

Section 4:

Individual Members:

Eligible for membership shall be any individual who is an amateur Taekwondo athlete, student, instructor, coach, referee, trainer, manager, administrator, or official active in Taekwondo. To become an individual member, the individual shall complete and submit the application and membership fee prescribed by the Association. Annual membership fee may be determined by the Board of Directors annually. Each individual member is entitled to:

1. A current ID card and patch of the association
2. Discounted entry fee at events sponsored by the Association, the amount of discount to be determined during the planning of the specific event.

ARTICLE V BOARD OF GOVERNORS

Section 1.

1. The association shall be governed by a Board of Governors. The board shall consist of one (1) voting delegate assigned by each member club according to its own bylaws. All delegates must be at least eighteen years of age.
2. Other individual members, who have demonstrated a life-long commitment to taekwondo, may be admitted to the Board of Governors at any properly noticed meeting, upon approval of two-thirds of the existing board members eligible to vote.
3. No such individual may be admitted to the Board if doing so would result in more than one third of the total number of Board members being Independent members as described in Paragraph 2 above.

Section 2:

The Board of Governors has the power to:

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1. Elect and confirm the officers as provided in these bylaws by a majority vote of the members where a quorum is established, and remove same for cause by a two-thirds vote of those present, and fill vacancies that may exist among the officers.
2. Enact, amend, revise or repeal the Bylaws as provided herein
3. admit members, reclassify and suspend or terminate members in accordance with the Bylaws
4. receive and review reports from the Executive Committee and other committees and persons concerning matters in which the Association may be interested
5. remove any members of the Board of Governors for cause by a two-thirds majority of the Board members
6. provide for and expend funds of the Association
7. call for regular and special meetings of the Board as provided in these Bylaws
8. appoint, approve and dissolve the Standing Committees as provided herein
9. approve the rules, regulations, procedures and activities of the Committees of the Association
10. take such other action as is customary and proper on behalf of the Association, and be responsible for conducting all the affairs and business of the Association; be vested with all powers of the Association, and have the authority to act on all organizational matters.

Section 3:

The Board of Governors shall have the power to amend these Bylaws upon a two-thirds vote of its members eligible to vote, after thirty days previous notice to all known board members of the proposed amendment.

Section 4:

The Board of Governors may, while retaining its responsibility, delegate power and authority to officers and or committees and others associated with the Association.

Section 5:

Except as provided elsewhere, the Board shall elect from among its members at the Annual Meeting in November, the following officers:

- One President
- One Vice President
- One Secretary
- One Treasurer

These Officers, together with the Advisory Council and the various Committee Chairs, shall comprise the Executive Committee.

Section 6: Compensation

Governors shall serve without compensation except that a reasonable fee may be paid to governors for attending regular and special meetings of the board. In addition, they shall be allowed reasonable advancement or reimbursement of expenses incurred in the performance of their duties. Any payments to governors shall be approved in advance in accordance with this corporations conflict of interest policy.

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ARTICLE VI

MEETINGS

Section 1:

The Board of Governors shall hold the following meetings each year:

1. an Annual Meeting to be held in November
2. Quarterly meetings
3. Special Meetings whenever they are appropriate and necessary

Section 2:

The Secretary shall give written notice of the time and place of each meeting to each known delegate of the Board of Governors at least 21 days prior to each meeting. E-mail notice or ordinary mail shall be deemed sufficient. It is the responsibility of each Board member to update his or her contact information with the Secretary General as often as necessary.

Section 3:

Interested persons may, at the discretion of the President, be allowed to attend a meeting but shall have no right to be heard unless extended the privilege of the floor. The President may order a meeting closed to non-members..

Section 4:

The Executive Committee of the Association shall act as a Credentials Committee to determine the eligibility of each delegate to be seated at any meeting.

Section 5:

A quorum at the annual meeting shall be a majority of the eligible voting members. A quorum at any other meeting shall be more than one fourth of the eligible voting member.

Section 6:

Proceedings of the meetings shall be governed by the latest edition of Roberts Rules of Order.

ARTICLE VII

OFFICERS

Section 1: President

1.The President shall be the Chief Executive Officer and shall preside over all meetings of the Board of governors and the Executive Committee.

2.The president shall be, ex officio, a non-voting member of all committees, except the executive Committee (of which he shall be a full voting member), and shall perform such duties as may be assigned by vote of the Board of Governors, or of the executive Committee, or as assigned to the President by the Bylaws.

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3.The President shall act as the Association's representative.

4.The President shall be elected as provided elsewhere in these Bylaws. No person shall be eligible for the office of President without having served as an active member of the Board of Governors for at least eighteen consecutive months immediately preceding the election.

Section 2: Vice President

1.The Vice-President shall act as an Executive Assistant to the President

2.The Vice President shall act as President Pro Tem when necessary, and act as liaison between the President and the other members of the Executive Committee.

3.The Vice President shall perform such duties as may be assigned by a vote of the Board of governors, or by the Executive Committee, or by the President.

4. The Vice President and shall be elected as provided elsewhere in these Bylaws.

Section 3: Secretary

1.The Secretary shall be the Secretary for the Board of Governors and for the Executive Committee.

2.The Secretary shall keep the records of the Association, supervise the taking production, and distribution of the minutes, attend to the publication of official reports, and perform such other functions as usually pertain to this office.

3.The Secretary shall perform such other duties as may be assigned by vote of the Board of Governors or the Executive Committee.

4.The Secretary shall be elected as provided elsewhere in these Bylaws.

Section 4: Treasurer

1.The Treasurer shall have charge of the funds and books of account of the Association.

2.The Treasurer shall disburse the Associations funds in a manner authorized by the Executive Committee.

3.The Treasurer shall provided written financial reports to the Board of Governors at regular meetings, and such special reports as may be called for from time to time by the executive committee

4.The Treasurer shall be elected as provided elsewhere in these bylaws.

Section 5: Term of Office

The officers shall be elected for a term of two years. Officers may serve no more than two consecutive terms in the same office, except that any officer except the treasurer may be re-elected to additional terms in the same office by two-thirds of the members eligible to vote, but may serve again in the same office if elected by a simple majority after at least one term out of that office.

ARTICLE VIII
NOMINATION AND ELECTION PROCEDURES

Election of officers shall take place at the Annual Meeting in odd numbered years.

Elections of each officer shall be done by secret ballot one at a time, in the following order:

President

Vice President

Secretary

Treasurer

The balloting process for each officer shall be completed before starting the process for the next.

The process shall be as follows:

Nominations are taken from the floor. The nominee must accept the nomination. Any eligible member may nominate him- or herself. When no more nominations are forthcoming, ballots are cast & counted. Proxy voting will not be allowed. Ballots are to be counted by the secretary in the presence of the members and the totals announced. The person with the highest number of votes is the winner. In case of a tie ballots are to be re-cast with all candidates' names, unless one or more withdraw voluntarily. If the winner declines the position, the person with the next highest total is the winner.

Term of office begins on Jan 1st following the election.

ARTICLE X
STANDING COMMITTEES

Section 1: The Law and Legislative Committee

1.Reviews proposed amendments to the Bylaws and submits a written report thereon with recommendations as to form and substance, to the Executive Committee and to the Board of Governors.

2.Advises and assists the President, the Board of Governors, and the Executive Committee:

- a)In regards to the determination of legal and legislative policy of the Association
- b)In the formulation of the Code of Operations
- c)In the formulation and determination of the Association's future rights and duties
- d)In proposing amendments to the Bylaws, Code of Operation an other documents and publications of the Corporation

3.In coordination with the Board of Governors, the Executive Committee, and other Committees of the Association, and with other entities interested in the promotion of Taekwondo, aid in the drafting of legal instruments and legislation.

4.Review all claims and other legal action filed against or by the Association

5.Assist in the investigation of any matter of concern to the Association

6.Act as the complaint review board, serve as members of hearing panels and determine appropriate disciplinary action pursuant to these Bylaws

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7. Be composed of three members chosen by the Executive Committee, with one Chairman selected by of the Committee.

Section 2: The Finance Committee

1. Prepares the yearly budget and reviews budget proposals for events.

2. Advises the President, the Board of Governors and the Executive committee on matters pertaining to the Associations finances.

3. Approves by majority vote of the committee members all expenditures of Association funds.

4. Shall consist of three members chosen by the Executive Committee, one of whom shall be the Treasurer of the Association, who shall also be the Chairman of the committee.

ARTICLE XI

ADVISORY COUNCIL, SPECIAL ASSISTANT TO THE PRESIDENT, SPECIAL COMMITTEES

Section 1: The Advisory Council shall:

1. Consist of individuals who have achieved outstanding recognition in the art of Taekwondo, sports science, physical education, social science, philosophy or higher education, who wish to serve on the Council by virtue of their association or past activities in the affairs of Taekwondo or of the Association

2. Advise the President and the Board of Governors on matters of the Association

3. With the consent of the Board of governors, be appointed by the President

Section 2: The Special Assistant to the President shall:

1. Be an individual with the experience, constitution, and special talent necessary to assist the President in the performance of his duties

2. Have voice, without vote, in the Board of Governors, and

3. Be appointed by the President

Section 3: Special Committees

Special Committees may be created and disbanded at the discretion of the President whenever he deems it necessary in the interest of the affairs of the Association.

ARTICLE XII

ACCOUNTING PERIOD

The fiscal year of the Association shall be the same as the calendar year, to wit, from January 1 through December 31. The books and accounts of the Association shall be maintained on a fiscal year basis.

ARTICLE XIII

COMPLAINT PROCEDURES

Section 1: Filing the Complaint

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1. Except as specifically provided elsewhere, any currently registered member of the Association has a right to file a complaint alleging that another member of the Association has failed to comply with either the Bylaws or the Code of Operations of the Association. Any such complaint must be filed in accordance with the procedures set out in these Bylaws.

2. The party filing the Complaint shall be referred to as the Petitioner. The parties against whom the complaint is filed shall be referred to as the respondents.

3. Any complaint must be filed within sixty days of the event or action that is the subject of the complaint. All complaints must be in writing, and must contain all the information set out in Section 2 below, and must be delivered to:

- a) the President of the Association
- b) individual or group identified as a respondent in the complaint

Section 2: Content of the Complaint

1. Identity of the Petitioner and Respondents. The complaint must set out:

- a) The date, time and location of the event or action complained of
- b) The name and affiliation of each individual or group involved
- c) a factual statement setting out all pertinent information regarding the action or event
- d) the specific provisions of the the Bylaws or Code of Operation which have been violated
- e) the manner in which each respondent violated each provision

2. The complaint must be accompanied by adequate supporting evidence to justify further investigation into the complaint.

Section 3: Review and Answer of Complaint

1. Upon receipt of a complaint the President of the Association shall refer the complaint to the Chairman of the Law and Legislation Committee. The Chairman shall review the complaint and determine whether it meets the requirements set out in the Bylaws.

2. Within thirty days after being notified that a valid complaint has been filed the respondent must file an answer. The answer must contain a statement that each respondent is a currently registered member of the Association. The answer must also set out all other information required under the Bylaws.

Section 4: Decision

1. Within twenty days of receipt of all comments the Law and Legislation Committee shall consider the complaint and answer, and propose findings and statement of facts. If necessary the Law and Legislation Committee can obtain additional evidence before issuing a final decision. A final decision shall require a two-thirds majority vote of the Committee.

2. Copies of the final decision shall be sent to

- a) Each individual or group named as a petitioner or a respondent in the complaint
- b) the officers of the Association.

ARTICLE XIV

IRS 501(c)(3) Tax Exemption Provisions

Section 1: Limitations on Activities:

A.) No substantial part of the activities of this corporation shall be the carrying on of propaganda , or otherwise attempting to influence legislation (except as otherwise provided by Section 501(h) of the Internal Revenue Code), and this corporation shall not participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of or in opposition to, any candidate for public office.

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B.) Notwithstanding any other provision of these bylaws, this corporation shall not carry on any activities not permitted to be carried on (a) by a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code.

Section 2: Prohibition Against Private Inurement

A.) No part of the net earnings of this corporation shall inure to the benefit of , or be distributable to, its members, directors or trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of this corporation.

Section 3: Distribution of Assets

A.) Upon the dissolution of this corporation, it's assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation, shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code or shall be distributed to the federal government, or to a state or local government, for a public purpose. Such distribution shall be made in accordance with all applicable provisions of the laws of this state.

Section 4: Private Foundation Requirements and Restrictions

A.) In any taxable year in which this corporation is a private foundation as described in Section 509(a) of the Internal Revenue Code, the corporation 1) shall distribute it's income for said period at such time and manner as not to subject it to tax under Section 4942 of the Internal Revenue Code; 2) shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code; 3) shall not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code; and 5) shall not make any investments in such manner as to subject the corporation to tax under Section 4944 of the Internal Revenue Code.

ARTICLE XV

Conflict of Interest Policy

Section 1: Purposes

The purpose of this conflict of interest policy is to protect this tax-exempt corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer of the corporation or any "disqualified person" as defined in Section 4948(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations, and which might result in a possible "excess benefit transaction" as defined in Section 4958(c)(1)(A) of the Internal Revenue Code and as amplified by Section 53.4958 of the IRS Regulations. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

Section3: Definitions

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1. Interested Person. Any governor , principal officer, member of a committee with Board of Governors delegated powers, or any other person who is a “disqualified person” as defined in Section 4958(f)(1) of the Internal revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations, who has a direct or indirect financial interest, as defined below, is an interested person.
2. Financial Interest. A person has a financial interest if the person has, directly or indirectly, through business, investment or family:
 - a. An ownership or investment interest in any entity with which the corporation has a transaction or arrangement
 - b. a compensation arrangement with the corporation or with any entity or individual with which the corporation has a transaction or arrangement
 - c. a potential ownership or investment interest in, or a compensation arrangement with, any entity or individual with which the corporation is negotiating a transaction or arrangement

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the Board of Governors or committee decides that a conflict of interest exists.

Section 3: Procedures

1. Duty to disclose. In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the governors, and committees with board of Governors delegated powers considering the proposed transaction or arrangement.
2. Determining Whether A Conflict of Interest Exists. After disclosure of the conflict of interest and all material facts, and after any discussion with the interested person, he/she shall leave the Board of Governors or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.
3. Procedures for Addressing the Conflict of Interest. An interested person may make a presentation at the Board of Governors or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest. The chairperson of the Board of governors or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement. After exercising due diligence, the Board of Governors or committee shall determine whether the corporation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board of Governors or committee shall determine by a majority vote of the disinterested governors or committee members whether the transaction or arrangement is in the corporations best interest, for it's own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make it's decision as to whether to enter the transaction or arrangement.

4. Violations of the Conflict of Interest Policy If the Board of Governors or committee has reasonable cause to believe that a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the Board of Governors or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

Section 4: Records of Proceedings

The minutes of the meetings of the Board of Governors and all committees with Board delegated powers shall contain:

1. The names of the persons who disclosed or were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the Board of Governors or committee's decision as to whether a conflict of interest in fact existed.
2. The names of persons who were present for discussions and votes relating to the transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Section 5: Compensation

1. A voting member of the Board of Governors who receives compensation, directly or indirectly, from the corporation for services is precluded from voting on matters pertaining to that member's compensation.
2. No voting member of the Board of Governors or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the corporation, either individually or collectively, is prohibited from providing information to any committee regarding compensation.
3. When approving compensation for directors, officers and employees, contractors, and any other compensation contract or arrangement, in addition to complying with the conflict of interest requirements and policies contained in the preceding and following sections of this article as well as the preceding paragraphs of this section of this article, the Board of Governors shall also comply with the following additional requirements and procedures:
 - a. The terms of compensation shall be approved by the Board of Governors or compensation committee prior to the first payment of compensation.
 - b. All members of the Board of Governors or compensation committee who approve compensation arrangements must not have a conflict of interest with respect to the compensation arrangement as specified in IRS Regulation Section 53.4958-6(c)(iii), which generally requires that each board member or committee member approving a compensation arrangement between this organization and a "disqualified person" (as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations):
 1. Is not the person who is the subject of compensation arrangement, or a family member of such person:
 2. Is not in an employment relationship subject to the direction or control of the person who is the subject of compensation arrangement

3. does not receive compensation or other payments subject to approval by the person who is the subject of compensation arrangement
 4. has no material financial interest affected by the compensation arrangement;
 5. does not approve a transaction providing economic benefits to the person who is the subject of the compensation arrangement, who in turn has approved or will approve a transaction providing benefits to the board or committee member.
- c. The Board of Governors or compensation committee shall obtain and rely upon appropriate data as to comparability prior to approving the terms of compensation. Appropriate data may include the following:
1. Compensation levels paid by similarly situated organizations, both taxable and tax-exempt, functionally comparable positions. "Similarly situated" organizations are those of a similar size and purpose and with similar resources
 2. the availability of similar services in the geographic area of this organization
 3. current compensation surveys compiled by independent firms
 4. actual written offers from similar institutions competing for the services of the person who is the subject of the compensation arrangement.

As allowed by IRS Regulation 4958-6, if this organization has average gross receipts (including contributions) for its three prior tax years of less than \$1 million, the Board of Governors or compensation committee will have obtained and relied upon appropriate data as to comparability if it obtains and relies upon data on compensation paid by three comparable organizations in the same or similar communities for similar services.

- d. The terms of compensation and the basis for approving them shall be recorded in written minutes of the meeting of the Board of Governors or compensation committee that approved the compensation. Such documentation shall include:
1. the terms of the compensation agreement and the date it was approved
 2. the members of the Board of Governors or compensation committee who were present during the debate on the transaction, those who voted on it, and the votes cast by each board or committee member
 3. the comparability data obtained and relied upon and how the data was obtained
 4. If the board of Governors or compensation committee determines that reasonable compensation for a specific position in this organization or for providing services under any other compensation arrangement with this organization is higher or lower than the range of comparability data obtained, the board of governors or committee shall record in the minutes of the meeting the basis for its determination.
 5. If the Board of Governors or compensation committee makes adjustments to comparability data due to geographic area or other specific conditions, these adjustments and the reasons for them shall be recorded in the minutes of the Board of Governors or committee meeting.
 6. any actions taken with respect to determining if a board or committee member had a conflict of interest with respect to the compensation arrangement, and if so, actions taken to make sure the member with the conflict of interest did not affect or participate in the approval of the transaction (for example, a notation in the records that after a finding of conflict of interest by a member, the member with the conflict of interest was asked to, and did, leave the meeting prior to a discussion of the compensation arrangement and a taking of the votes to approve the arrangement).
 7. The minutes of the Board of Governors or committee meetings at which compensation arrangements are approved must be prepared before the later of the date of the next Board of Governors or committee

meeting or 60 days after the final actions of the Board of Governors or committee are taken with respect to the approval of the compensation arrangements. The minutes must be reviewed and approved by the Board of Governors or committee as reasonable, accurate, and complete within a reasonable period thereafter, normally prior to or at the next meeting of the Board of Governors or committee meeting following final action on the arrangement by the Board of Governors or committee.

Section 6: Annual Statements

Each Governor, principal officer, and member of a committee with Board of Governors delegated powers shall annually sign a statement which affirms such person:

1. Has received a copy of the conflicts of interest policy
2. Has read and understands the policy
3. Has agreed to comply with the policy, and
4. understands the corporation is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Section 7: Periodic Reviews

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

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

Section 8: Use of Outside Experts

When conducting the periodic reviews, the corporation may, but need not, use outside advisers. If outside experts are used, their use shall not relieve the Board of Governors of its responsibility for ensuring periodic reviews are conducted.

