

# Silicon Valley Modern Quilt Guild

## Bylaws

### MISSION STATEMENT

The Silicon Valley Modern Quilt Guild's mission is to develop and encourage the art of modern quilting through community, education, and philanthropy.

### 1. Name, Purpose and General Matters

1.1. **Name:** The name of the organization is the Silicon Valley Modern Quilt Guild, also referred to as "The Guild" or "SVMQG". The Guild's home is Santa Clara, California and draws membership primarily from the surrounding area.

1.2. **Purpose:** The organization is organized exclusively for charitable, educational, or communal purposes, including, for such purposes, the making of distributions to organizations that qualify under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

Notwithstanding any other provision of these articles, the organization shall not carry on any other activities not permitted to be carried on (a) by an organization exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, or the 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 the corresponding section of any future federal tax code.

1.3. **No Private Inurement:** No part of the net earnings of the organization shall inure to the benefit of, or be distributable to its members, 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 section 1 hereof and in article 1.2 of this constitution.

1.4. **Location and office:** The Guild will maintain a mailing address within the state of California which will be that of the registered contact or The Guild P.O. Box. The registered contact may be the president, senior vice president or treasurer. It shall be the responsibility of the Executive Committee to

determine the registered representative each year and to inform legal and taxing authorities of any changes as they occur.

- 1.5. **Powers:** All members of The Guild are subject to adherence to these bylaws.

## 2. Members

- 2.1. **Membership:** Membership is open to anyone over 18 who agrees to the purposes of The Guild, and is granted upon completion of membership application and payment of dues.
- 2.2. **Privacy:** Member information is for the purpose of The Guild business only and every effort will be made to protect the privacy of individual members. Personal information of members will never be offered for sale or otherwise to unauthorized parties.
- 2.3. **Non-Discrimination:** No person may be denied membership to The Guild or be denied participation in any SVMQG events or activities because of the person's sex, race, religion or lack thereof, national origin, ancestry, creed, pregnancy, marital or parental status, sexual orientation, gender expression, documentation status, or physical, mental, emotional or learning disability.
- 2.4. **Dues:** Dues are set annually by the Executive Committee and are announced through The Guild website and email. The Executive Committee has the authority to authorize payment arrangements on a case-by-case basis.
- 2.5. **Meetings:** The Guild holds regular meetings. The Executive Committee schedules times and locations which are posted to The Guild members. Members in good standing attend meetings free of charge.
- 2.6. **Rules of Order:** The Executive Committee may invoke the use of Robert's Rules of Order when necessary.
- 2.7. **Voting:** Paid members in good standing receive one vote towards election of officers, bylaws & bylaw amendments, and SVMQG matters not determined by the Executive Committee.
- 2.8. **Revocation of Membership:** Membership may be revoked in cases of actions that threaten the charitable status of the Guild, or as determined by the Executive Committee.

### 3. Executive Committee

- 3.1. **Powers:** As directed by these bylaws, the Executive Committee (elected officers) will be responsible for managing the business and affairs of The Guild. Officers must attend a majority of the regular membership meetings.
- 3.2. **Elected Officers:** The Officers shall consist of President, Senior Vice President, Treasurer, and Secretary. Each officer must be a member in good standing for the entire term. Candidates must understand and adhere to The Guild's purpose. The minimum number of officers is four (4).
- **President:** The President shall supervise and control the affairs of the Guild and shall exercise such supervisory powers as may be given by the Board.
  - **Senior Vice President:** The Senior Vice President shall generally assist the President and shall have such powers and perform such duties and services as shall from time to time be prescribed or delegated to such office by the President or the Board of Directors.
  - **Secretary:** The Secretary shall:
    - Give all notices in accordance with these Bylaws or as required by law.
    - Take or ensure that someone takes minutes of all meetings of the committees and Board, and shall keep true copies of all minutes as part of the corporate records.
    - Maintain custody of the records.
    - Keep a record of the names and addresses of each Director, Officer, and employee of the Organization.
    - Perform all duties incident to the office of Secretary.
  - **Treasurer:** The Treasurer shall be the chief accounting and financial officer of the Guild and shall:
    - Have active control of and shall be responsible for all matters pertaining to the accounts and finances of the Guild.
    - Supervise the accounting and auditing practices of the Guild and shall have charge of all matters relating to taxation.
- 3.3. **Term of Office:** The normal term of office shall be one year. The position of Treasurer is a single two-year position. An officer appointed to fill a vacancy

will serve until the end of the fiscal year. No more than two consecutive terms can be served in the same position. The Executive Committee may vote to override this limit if necessary.

- 3.4. **Installation of Officers:** Officers will be officially installed at the December meeting for the term of one year. All necessary materials shall be transferred to incoming officers before the first Executive Committee meeting of the fiscal year.
- 3.5. **Nominating Committee:** A nominating committee will be formed under supervision of the Executive Committee 60 days prior to elections. The committee will solicit nominations from the members and members may offer themselves as candidates. The committee may consider offers of co-officers for any position or committee. The committee will consist of: the Immediate past president (chair) and 2 Board members and 2 active general members of the Guild. If the immediate past president is not available, the president can appoint a chair.
- 3.6. **Election of Officers:** Officers will be elected annually at the October meeting. Officers will be elected by a plurality of members voting by electronic vote. Should a nominee be unopposed, they shall be elected by acclaim unless a majority opposition appears from the membership.
- 3.7. **Meetings:** The Executive Committee shall meet a minimum of two (2) times per year on a schedule that is agreed upon by the Executive Committee. Changes to the meeting time or place must be announced five (5) days in advance by either electronic communication or oral communication with the exception of emergencies. All Directors shall be invited to attend.
- 3.8. **Quorum:** At all meetings of the Executive Committee, three (3) of the officers must be present to constitute a quorum for the transaction of business. If the quorum is not met, the meeting may be immediately adjourned and rescheduled.
- 3.9. **Voting:** A majority of the Executive Committee officers present at a meeting where the quorum is met will constitute an affirmative vote. Voting privilege at any Officer/Board meeting may be extended to other officers present at the pleasure of the Executive Committee.
- 3.10. **Dissolution of Committees and Positions:** The Executive Committee may officially dissolve a committee. The Executive Committee may officially dissolve any position except president, senior vice president, secretary and treasurer.

## 4. Board of Directors

- 4.1. **Powers and Duties:** Officers must attend a majority of the regular membership meetings. Non-executive officers are encouraged, but not required, to attend Executive Committee meetings. Specific Powers and Duties for all positions shall be determined by the Executive Committee at the start of each term.
- 4.2. **Meetings of the Board.** The board shall meet at the pleasure of the Executive Committee to consult and transact necessary current matters at such times as are convenient to all required attendees. The board may meet concurrently with an Executive Committee meeting. A quorum must be present for all board meetings. Board meetings may take place by all means available.
- 4.3. **Directors:** The Directors shall consist of the Executive Committee officers, plus other created positions, to be identified as 'Vice Presidents.'. Each director must be a member in good standing for the entire term. Candidates must understand and adhere to The Guild's purpose.
- 4.4. **Appointment of Directors:** Directors shall be appointed by the Executive Committee.
- 4.5. **Installation of Directors:** Directors will be officially installed at the December meeting for the term of one year. All necessary materials shall be transferred to incoming directors before the first Board of Directors meeting of the fiscal year.
- 4.6. **Term of Office:** The normal term of office shall be one year. A director appointed to fill a vacancy will serve until the end of the fiscal year. No more than two consecutive terms can be served in the same position. The Executive Committee may vote to override this limit if necessary.
- 4.7. **Filling of Vacancies:** An officer may resign at any time. Any officer position with the exception of president can be appointed by the Executive Committee. The Senior Vice president will stand in for president until Elections can be held.
- 4.8. **Removal:** Any director can be removed, either for or without cause, by the affirmative vote of a majority of the directors present at any meeting of the directors at which a quorum is present, if notice of the intention to act upon such matter shall have been given in the notice of such meeting and if such notice is provided to the director proposed to be removed.

- 4.9. **Resignation:** Any director may resign at any time by delivering written notice to the Secretary or President of the Board of Directors. Such resignation shall take effect upon receipt or, if later, at the time specified in the notice.
- 4.10. **Directors' Compensation:** Directors will not receive any salaries or other compensation for their services, but, via approval of annual budget, Directors may be reimbursed for any actual expenses incurred in the performance of their duties for the Guild, as long as the expense is included and within the pre-approved budget. The Guild shall not loan money or property to, or guarantee the obligation of, any director.
- 4.11. **Conflict of Interest Policy:** Board members should recuse themselves from voting in matters in which there is a conflict of interest.

## 5. Committees

- 5.1. **Ad Hoc & Standing Committees & Positions:** Committees & positions are created to assist the Executive Committee in carrying out activities and responsibilities of The Guild.
- 5.2. **Creation of Committees & Positions:** Committees & positions can be suggested by any member. The Executive Committee may officially create a committee.
- 5.3. **Chairpersons and Members:** Any member of The Guild in good standing can belong to one or more committees at any one time. Chairpersons that have not been elected will be appointed by a member of the Executive Committee.
- 5.4. **Chairperson Responsibilities:** The committee chairperson is responsible for the general supervision of the committee and its membership. The committee chairperson is responsible for providing the president written, verbal or electronic reports of pertinent information after significant events and for notifying the Executive Committee immediately of any grave concerns or issues.
- 5.5. **Term:** The Executive Committee will determine the term for the committee and committee chairperson.
- 5.6. **Removal of Committee Chairpersons:** The Executive Committee may remove a committee chairperson unable to carry out their duties and may appoint a replacement committee chairperson.
- 5.7. **Meetings:** Each committee may meet as needed and set its own rules for quorums and voting.

- 5.8. **Financial Affairs:** Each committee will work with the treasurer for any finances. At no time should the committee be considered to be independent of The Guild nor fail to submit money or expenses to the treasurer.

## 6. Operations

- 6.1. **General:** The Executive Committee will be responsible for maintaining the good standing of The Guild in all matters regarding legal documents and contracts.
- 6.2. **Contracts:** The Executive Committee has the power to execute contracts on behalf of The Guild and to delegate such power to others.
- 6.3. **Guild Funds:** All funds delivered to The Guild will be deposited in The Guild bank accounts and electronic payment accounts, such as PayPal, as soon as is reasonably possible. The Treasurer will oversee the bank account and will deliver any check or other payment of monies on behalf of The Guild. A current or former member of the Executive Committee will be designated as the back up to the treasurer for purposes of signing checks or transacting bank business.
- 6.4. **Disbursement of Funds:** Financial transactions that exceed the approved annual budget require a majority approval of the Board of Directors, or Executive Committee, if a majority of the Board of Directors is not immediately available to vote on an amended budget. Notwithstanding the above, all payments of more than \$5,000 disbursing funds from any of the Guild's accounts require the written approval of at least two of the following: President, Senior Vice President, or Secretary.
- 6.5. **Treasurer's Report:** A treasurer report will be given on a regular basis.
- 6.6. **Budget Adoption:** Executive Committee will approve a budget on an annual basis at the first Executive Committee meeting of the year.
- 6.7. **Annual Meeting:** The January meeting of The Guild will be considered the Annual Meeting where the budget is presented and approved by members.
- 6.8. **Records:** The Guild will keep correct and complete records of account and will also keep minutes of the proceedings of the Board meetings and Committees. The Guild will keep the original or a copy of its bylaws, including amendments to date certified by the Secretary of the Guild.
- 6.9. **Conflicts of Interest:** The Guild shall adopt a conflict of interest policy in the form attached hereto as Schedule A.

- 6.10. **Dividends Prohibited:** No part of the net income of the Guild shall inure to the benefit of any private individual and no dividend shall be paid and no part of the income of the Guild shall be distributed to its directors or officers.

The Guild may pay compensation in a reasonable amount to its officers for services rendered and may compensate and reimburse its directors as provided in Section 4.10.

- 6.11. **Loans to Officers and Directors Prohibited:** The Guild will not make loans to its officers and directors. Any directors voting for or assenting to the making of any such loan, and any officer participating in the making thereof, shall be jointly and severally liable to the Guild for the amount of such loan until repayment thereof.

- 6.12. **Fiscal Year:** The fiscal year of the Guild will be January 1 to December 31.

- 6.13. **Lobbying:** 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 or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office.

- 6.14. **Invalid Provisions:** If any part of these Bylaws shall be held invalid or inoperative for any reason, the remaining parts, so far as is possible and reasonable, shall remain valid and operative.

- 6.15. **Amending the Bylaws:** The Executive Committee may propose an amendment to these bylaws at any time. The proposed amendment must be electronically proposed via The Guild's website, or via email, two (2) weeks prior to a regular meeting. Voting will occur at that meeting with the majority of members attending constituting an affirmative response.

- 6.16. **Dissolution:** In the event The Guild is dissolved, all funds and goods owned by The Guild shall be donated to one or more non profit organizations as voted and agreed upon by the membership. The organizations considered should be those with a focus on quilting or fabric arts or be organizations that have been recipients of The Guild charity quilts.

## 7. Indemnification

- 7.1. **Indemnification of Officers, Members, Volunteers:** The Guild may purchase indemnity insurance as needed for SVMQG business.
- 7.2. **Insurance:** The Guild may purchase and maintain Directors & Officers insurance for any member of the Executive Committee who so requests.



- 7.3. **Fidelity Bond:** The Guild may purchase and maintain a Fidelity Bond when nonprofit status is achieved.
- 7.4. **Limits on Indemnification:** Notwithstanding the above, the Guild will indemnify a person only if he or she acted in good faith and reasonably believed that his conduct was in the Guild's best interests. In the case of a criminal proceeding, the person may be indemnified only if he had no reasonable cause to believe his conduct was unlawful.

*Adopted by a vote of the Guild on xxxxxx.*

*End of Document*

## SCHEDULE A CONFLICTS OF INTEREST POLICY

### Conflicts of Interest & Code of Ethics – General Information

When a Director assumes office, the law requires that the best interest of the organization prevail over the Director's personal or business interests. A conflict of interest can arise in many situations including leasing property, buying goods and services, and borrowing or lending money. Conflicts can also arise with employees and family members of Directors. Conflicts of interest have both legal consequences and public perception consequences. Nonprofits should adopt policies and procedures to ensure that those with decision-making power in the organization do not take actions that could benefit themselves, their families, or their business interests.

### Prohibited Transactions

- **Loans to Directors.** There is an absolute prohibition on paying dividends or lending the money of a nonprofit to a Director. Directors who allow the making of a loan to a co-Director will be personally liable for the full amount of the loan until it is repaid.
- **Private Inurement.** There is also an absolute prohibition against "private inurement." In order for an organization to be recognized as a public charity by the IRS, no part of the net earnings of the organization may inure to the benefit of a private individual. Private benefits may occur when the nonprofit pays more for goods and services than they are worth. Violations of this restriction may result in severe penalties and substantial legal problems for the nonprofit and Directors approving the transaction.

### Permitted Transactions

- **Reasonable Compensation for Services.** A nonprofit may pay reasonable compensation to a Director for services the Director provides on behalf of the nonprofit. The key qualification is "reasonable," which will be determined by the IRS, the Attorney General, donors, and the public on the basis of all the facts and circumstances of the situation.
- **Interested Director Transactions.** Some states permit transactions with Directors under certain circumstances. The three things to remember with regard to an interested Director transaction are:

to Disclose Material Facts;

- Ensure that the transaction is fair to the nonprofit; and
- Document the decision-making process.

The material facts of the Director's interest in the transaction should be disclosed to the board before a vote on the transaction, and a majority of disinterested Directors should approve the transaction in good faith and with ordinary care. A transaction may be approved only if it is fair to the nonprofit when it is authorized. Any transaction with an interested Director should be carefully documented in the minutes of a meeting at which the transaction is considered.

## **CONFLICTS OF INTEREST & CODE OF ETHICS POLICY**

### **I - PURPOSE**

It is imperative to the success of the Silicon Valley Modern Quilt Guild that there be a fully informed and responsive Board of Directors. To accomplish this end, all Directors shall conduct themselves at all times in the best interest of the Corporation. When a Director assumes office, the law requires that the best interest of the Corporation prevail over the Director's personal or business interests. A conflict of interest can arise in many situations including leasing property, buying goods and services, and borrowing or lending money. Conflicts can also arise with employees and family members of Directors. Conflicts of interest have both legal consequences and public perception consequences. To this end, Directors of Corporation agree to abide by the following policies and procedures. 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.

### **2 - DEFINITIONS**

1. **Interested Person.** Any director, principal officer, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.
1. **Financial Interests.** Financial interests include, but are not limited to:
  - a. An ownership, investment interest, or compensation arrangement with 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; or
  - c. A potential ownership, investment interest, or compensation arrangement with any entity or individual with which the Corporation is negotiating a transaction or arrangement, including a commission or fee, share of the proceeds, the prospect of promotion or profit, or any other form of financial reward.

### **3 – PROCEDURES**

1. **Duty to Disclose.** In connection with the actual or potential conflict of interest, an interested person must disclose the existence of his financial interest and all material facts to the Directors and members of committees with board-delegated powers considering the proposed transaction or arrangement and shall abstain from voting on such matters.

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

#### **4 – RECORDINGS AND PROCEEDINGS**

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

1. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the board's or committee's decision as to whether a conflict of interest in fact existed; and

2. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection therewith.

## **5 – GIFTS, COMPENSATION**

1. A voting member of the governing board who receives compensation, directly or indirectly, from Corporation for services is precluded from voting on matters pertaining to that member's compensation.
2. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from Corporation for services is precluded from voting on matters pertaining to that member's compensation.
3. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from Corporation, either individually or collectively, is prohibited from providing information to any committee regarding compensation.
4. Directors and employees of the Corporation may not receive a gift, or a series of gifts, valued at more than \$25 from contractors or businesses who have performed services for the Corporation within the past 12 months without prior approval of a majority vote of disinterested Directors. Directors and employees of the Corporation shall also gain approval by majority vote of disinterested Directors to personally employ contractors and businesses that have performed services for the Corporation within the past 12 months.

## **6 – ADDITIONAL PROVISIONS**

1. Directors shall put forth their best effort to attend all meetings and constructively participate in the meetings.
2. Directors shall be responsible for insuring that adequate and correct information is presented to their constituents and the public.
3. Directors shall exercise good judgment in the control and use of confidential information that may from time to time come into their possession. No Director shall use confidential information gained by reason of being a member of the Board for personal gain to the detriment of the Corporation.
4. Each Director shall serve as a public relations agent for the Corporation and therefore shall work diligently and properly to promote its goals and objectives while keeping abreast with its overall progress.
5. Except for voting at properly called meetings of the Board, Directors shall refrain from entering into the direct day-to-day administration of the program unless they are doing so upon express authority given to them by Resolution of the Board.
6. The Officers shall be charged with the responsibility of reviewing any allegations of Directors violating this code or acting in any way which is detrimental to the success of the Corporation and make recommendations to the full Board for final action.

## **7 – ANNUAL STATEMENT**

Each Director, officer, and committee member with board-delegated powers shall annually sign a statement that affirms that 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 that the Corporation is a charitable Corporation and that in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes.

## **8 – 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 Corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.
3. When conducting the periodic reviews, the Corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

## Conflict of Interest Disclosure Questionnaire

### To be completed by officers, directors, key employees, and members of Board committees

The Conflict of Interest Policy adopted by the Board of Directors of the Corporation requires disclosure of certain Interests. It is not uncommon to have these interests, but it is very important to make them known to the Corporation.

Use this questionnaire to disclose where you *or your Family Members* have certain affiliations, interests or relationships, and/or have taken part in transactions that, in light of your relationship to the Corporation, might possibly give rise to an actual, apparent, or potential conflict of interest.

**NAME:**

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In accordance with the purposes and intent of the Conflict of Interest Policy adopted by the Board of Directors of the Corporation, a copy of which has been furnished to me, I hereby disclose that I *or my Family Members* have the following affiliations, interests or relationships, and/or have taken part in the following transactions:

### 1. BACKGROUND

I hold the following positions(s) and/or have the following relationship(s) with the Corporation:

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**2.**

### OUTSIDE INTERESTS

Do you or any Family Member hold, directly or indirectly:

An ownership or investment interest in a company that does or may do business with, or that competes with, the Corporation?

No  Yes – Explain below

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A compensation arrangement with any Company that does or may do business with, or that competes with, the Corporation? Examples: compensation for employment or independent contractor services, consulting fees, board stipends or fees, advisory committee fees, honoraria, etc.

No  Yes – Explain below

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A director, trustee, officer or board committee position with any other Company that does or may do business with, or that competes with the Corporation (including competition for grants or donations)?

No  Yes – Explain below

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Any personal loans, advances or other indebtedness to or from anyone who also does or may do business with any the Corporation? (Note: You may exclude charge cards and personal or mortgage loans at market rates from financial institutions)

No  Yes – Explain below

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Do you or any Family Member compete, directly or indirectly, with the Corporation in the purchase or sale of property rights, interests or services?

No  Yes – Explain below

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Do you or any Family Member provide managerial, consultative or other services to or on behalf of any other Company that does or may do business with, or that competes with, the services of the Corporation?

No  Yes – Explain below

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Do you or any Family Member employ or otherwise retain any Corporation personnel for work on non-Corporation business done outside of the Corporation?

No  Yes – Explain below

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Have you or any Family Member used Corporation property to conduct business that is not Corporate business, without prior approval of an executive of the Corporation?

No  Yes – Explain below

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If you are employed by the Corporation, have you accepted assignments outside of the Corporation, either as an employee or as an independent contractor, over and above your primary or full-time assignment with any Corporation?

No  Yes – Explain below

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Do you or any Family Member hold an elected or appointed office or other position of public responsibility that serves residents in the Corporation's service area?

No  Yes – Explain below

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*Conflict Interest Policy*

Have you or any Family Member been a party to any action, suit or proceeding during the past five years that might be deemed material to evaluating your ability, your integrity or your interests with respect to the Corporation?

No  Yes – Explain below

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Do you or any Family Member know of any recent or pending actions, suit or proceeding in which you have an interest adverse to the interests of, or are a party adverse to any the Corporation?

No  Yes – Explain below

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**3. INSIDE ACTIVITIES**

In your area of direct responsibility within the Corporation, do you employ or supervise anyone with whom you have a business or personal relationship?

No  Yes – Explain below

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Have you or any Family Member attempted to influence the Corporation concerning the employment or retention of any immediate family member or other individual with whom you have a business or personal relationship?

No  Yes – Explain below

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**4. GIFTS, GRATUITIES AND ENTERTAINMENT**

Have you or any Family Member accepted gifts, or other favors from any person or company under circumstances from which someone might think that such action was intended to influence you in the performance of your duties on behalf of the Corporation? *Note: This does not prohibit the acceptance of reasonable items of nominal value that are clearly tokens of respect or friendship and not related to any particular transaction or activity when the value of such entertainment or items does not exceed One Hundred Dollars (\$100.00).*

No  Yes – Explain below

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Have you or any Family Member accepted any gifts, favors or benefits valued in excess of One Hundred Dollars (\$100.00) from customers, suppliers or agents of the Corporation?

No  Yes – Explain below

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*Conflict Interest Policy*

## 5. OTHER

In the space below, please disclose any other interest, activities, investments or involvement that you think might be relevant for full disclosure of all actual, apparent or possible conflicts of interest. If none, indicate “none.” **[Use additional pages as necessary.]**

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*Conflict Interest Policy*

Signed: Director

Date

I acknowledge that:

### AFFIRMATION

(1) I have received a copy of the Board’s Conflict of Interest Policy and Code of Ethics;

(2) I have read and understand the Policy;

(3) I agree to comply with the Policy;

(4) I understand that the Corporation is a charitable organization and that in

order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes;

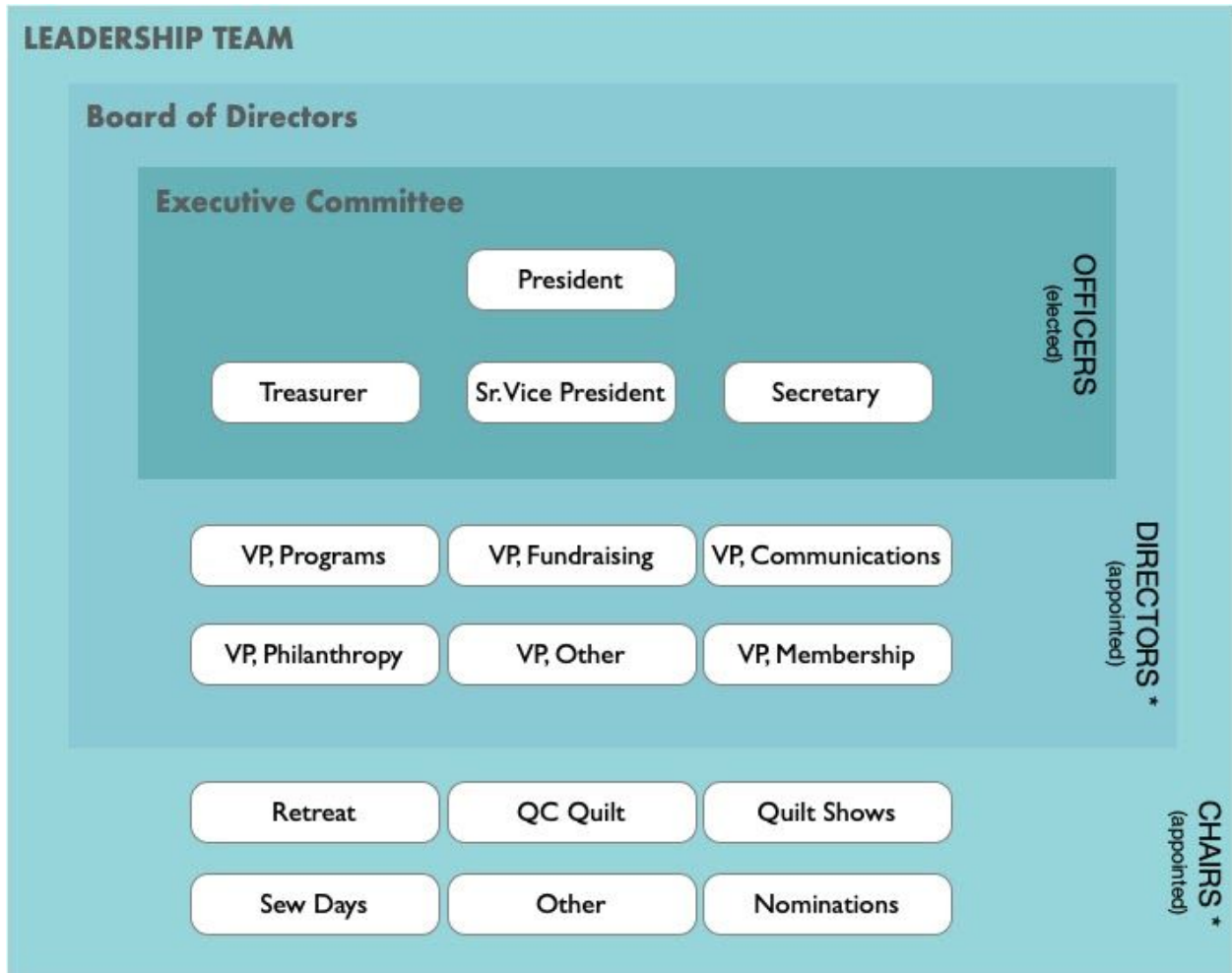
(5) I agree to report to the appropriate person (a) any change in the responses to each of the foregoing questions that may result from changes in circumstances or (b) any further financial interest, situation, activity, interest or conduct that may develop before completion of my next annual Questionnaire, and

(6) The information contained in this Questionnaire is true and accurate to the best of my knowledge and belief as of the date below.

APPENDIX A:

Outline of Board Structure

For the purposes of the above By-Laws. The following diagram demonstrates the structure of the Board of Directors of the Silicon Valley Modern Quilt Guild.



\* specific positions are examples