

Bylaws of

ARMY AND NAVY ACADEMY, CARLSBAD, CALIFORNIA

A California Nonprofit Public Benefit Corporation

As amended and restated by the
Board of Trustees December 06, 2025

ARTICLE 1 CORPORATE NAME

Section 1.1 Corporate Name

The name of this corporation is the Army and Navy Academy, Carlsbad, California (hereinafter, the "Corporation").

ARTICLE 2 OFFICES

Section 2.1 Principal Office

The principal office for transaction of the business of the Corporation is 2605 Carlsbad Boulevard, Carlsbad, California, 92008, or as may be established anywhere within or outside of the State of California, by resolution of the Board of Trustees (the "Board").

Section 2.2 Other Offices

The Board may at any time establish branch or subordinate offices anywhere the Corporation is qualified to transact business.

ARTICLE 3 PURPOSES

Section 3.1 General Purpose

The Corporation is organized under the Nonprofit Public Benefit Corporation Law of California ("California Nonprofit Corporation Law") exclusively for public purposes, within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the "Code"), or the corresponding provision of any future federal tax law.

Section 3.2 Specific Purpose

The specific purposes of the Corporation are to:

- (a) Conduct a school of less than four-year collegiate degree.
- (b) Prepare young men for entrance to college and stimulate the development of virtuous leadership.

ARTICLE 4 LIMITATIONS

Section 4.1 Prohibited Activities

The Corporation shall not substantially engage in any activities or exercise any powers that are not in furtherance of the purposes described in Article 3. The Corporation may not engage in any illegal or impermissible activity, including those activities prohibited for corporations that are exempt from federal income tax under Section 501(c)(3) of the Code and corporations receiving deductible contributions under Section 170(c)(2) of the Code.

ARTICLE 5 DEDICATION OF ASSETS

Section 5.1 Property Dedicated to Nonprofit Purposes.

The property of the Corporation is irrevocably dedicated to public and charitable purposes as stated in its Articles of Incorporation. No part of the net income or assets of the Corporation shall ever inure to the benefit of any Trustees or Officers, or to the benefit of any private person, except that the Corporation is authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes stated in Article 3.

Section 5.2 Distribution of Assets upon Dissolution.

Upon the dissolution or winding up of the Corporation, its assets remaining after payment, or provision of payment, of all debts and liabilities of the Corporation shall be distributed to a nonprofit fund, foundation, or corporation which is organized and operated exclusively for public and charitable purposes as stated in the Articles of Incorporation and which has established its tax-exempt status under Section 501(c)(3) of the Code, as determined by the Board. In distributing such assets, the entity or entities to receive the assets shall be organized through its articles of incorporation and bylaws whereby its primary activities are education of young men, leadership training, and virtue training that is like that of the Corporation.

ARTICLE 6 BOARD MEMBERS

Section 6.1 Board Members include Trustees, Ex Officio Trustee, Special Advisors, and Emeritus Trustees.

6.1.1 Trustees – Number and Qualification

No less than 11 or more than 21 trustees. Trustees must have such qualifications as the Board may prescribe. A Trustee shall not engage in any activity that is directly contrary to the interests of the Corporation or engage in the misrepresentation of the Corporation and its policies to outside third parties.

6.1.2 Ex Officio Trustee

The Board will have one Ex Officio Trustee of the Corporation: the President of the Army and Navy Academy.

6.1.3 Special Advisors

There will be three Special Advisors to the Board: President of the Army and Navy Academy Alumni Association (ANAAA), President of the Army and Navy Academy Patrons Association (ANAPA), and the Army and Navy Academy Faculty Representative.

Special Advisors will be invited to Board Meetings and/or committee meetings at the discretion of the Board Chair.

6.1.4 Emeritus Trustees

The Board, by majority vote, may invite former board members and others with subject matter expertise or institutional memory to serve as an Emeritus Trustee member of the Board. Such members may be invited to attend meetings and shall not be counted for forming a quorum. Such members shall serve until such time as they resign, or the Board does not reappoint them, or they are removed at any time without cause, as voted by the majority of the Board. Such members are requested to make contributions in accordance with the policy set forth by the Board. Such members shall be fully indemnified no less than that of Members of the Board of Trustees.

Section 6.2 Voting Rights

- (a) Trustees have full voting privileges, one vote per Trustee.
- (b) The Ex Officio Trustee, the Special Advisors, and Emeritus Trustees do not have a vote.
- (c) Proxy voting is not permitted.

Section 6.3 Terms

6.3.1 Timing

Terms shall commence upon both Board approval and acceptance by the candidate after notice from the Governance Chair and shall end upon the same date as their entrance in the year in which the term expires.

6.3.2 Duration

- (a) The length of term for each Trustee shall be three (3) years or until a replacement is named.
- (b) Trustees may be elected for four (4) terms of three (3) years.
- (c) A "termed-out" Trustee may be elected as an Emeritus Trustee.
- (d) If the Trustee is elected as an officer of the Corporation (not the Board), the time served an officer will not count toward their term limits.
- (e) If an officer of the Board will have his/her service term out during their service of such office, they shall be allowed to finish the term of their office beyond their term limit as a Trustee and thereby extend their term as a Trustee beyond the term limits set herein.
- (f) A trustee may after two (2) years after being termed out or resigned under favorable circumstances be reconsidered to become a trustee again; the former trustee will be subject to section 6.4.3.
- (g) Transition from old bylaws to this amendment. At the time of this amendment, seated trustees with six (6) or more years on the Board may complete their final term and are eligible to be re-elected for one more three (3) year term.

Section 6.4 Vacancies

The Board shall follow all provisions of the California Nonprofit Public Benefit Corporation Law relating to vacancies, including resignation and removal of Trustees, and procedures for filling vacancies.

6.4.1 Removal

The Board will consider two consecutive unexcused absences excessive and grounds for requesting the Trustee's removal. Non-compliance with the Board's Contribution Policy shall be grounds for removal at the end of each fiscal year. The Chairman of the Board has the authority to determine approved absences. Conflicts of interest must be disclosed to the Board and must be resolved by the Board, or the affected Trustee must resign.

6.4.2 Resignations

Any Trustee may resign at any time by giving written notice to the Chairman of the Board. Such resignation shall take effect at the time specified therein and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. An oral resignation before the Board is also acceptable and such resignation shall take effect as specified by the Trustee and shall be recorded in the minutes of the meeting.

6.4.3 Elections

Elections shall be held not less than annually to fill vacant Trustees' seats. Prior to any election of a Trustee, the Chairman of the Governance Committee shall process a

prospective Trustee through the vetting procedure that shall be set by the Governance Committee from time to time.

Section 6.5 Meetings

The Board shall hold at least four (4) regular meetings each year. At least two (2) weeks email notice or prior notice as set at a regular meeting of the Board, will be provided to all Trustees. Emails will be sent to the email address on record as provided by the Trustees.

6.5.1 Emergency Meeting

An emergency meeting may be called with twenty-four (24) hours' notice. A majority of the Executive Committee must agree to this event.

Section 6.6 Special Meetings

Special Meetings may be called by the Chairman of the Board or by petition to the Chairman of the Board by at least six (6) members of the Board. Notice of a Special Meeting must be sent to the Trustees at least two (2) weeks prior to the scheduled date of the meeting. Notice will be provided by email sent to the email address on record as provided by the Trustees.

Section 6.7 Place of Board Meetings

Regular and special meetings of the Board may be held at any place within or outside the state as determined by the Board from time to time. If the place of a regular or special meeting is not designated in a notice or by a resolution of the Board, it shall be held at the principal office of the Corporation. A person participating in the meeting is a Trustee or other person entitled to participate in the Board meeting.

6.7.1 Meetings by Telephone or Similar Communication Equipment

Meetings are preferred to be held in person but can be conducted via electronic means. A Board meeting may be held by conference telephone, video screen communication, or other communications equipment. Participation in a meeting under this Section shall constitute presence in person at the meeting if all the following apply:

- (a) Each member participating in the meeting can communicate concurrently with all other members.
- (b) Each member has the means of participating in all matters before the Board, including the capacity to propose or to interpose an objection to a specific action to be taken by the corporation.

Section 6.8 Votes on Board Actions

6.8.1 Minimum Vote Requirements

Decisions of the Board shall be by majority vote of a quorum. All actions of, or votes by the Board are taken or cast only by the Trustees and not by persons who are not Trustees.

6.8.2 Greater Vote Requirements

The following actions shall require a vote of two-thirds (2/3) vote of the Trustees:

- (a) Hiring or termination of the President
- (b) Removal of a Trustee
- (c) Amending the Bylaws
- (d) Debt obligations that fall outside of an approved budget
- (e) Real estate transactions
- (f) Changes to the Senior Management On Campus Housing policy

Section 6.9 Adjournment

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

Section 6.10 Notice of Adjournment

Notice of the time and place of holding an adjourned meeting need not be given.

Section 6.11 Conduct of Meetings

Meetings of the Board shall be presided over by the Chairperson, or if there is no Chairperson or the Chairperson is absent, by the Vice Chair. The Secretary or its delegate shall act as secretary of all meetings of the Board. If the Secretary is absent and without a delegate, the presiding officer shall appoint another person to act as secretary of the meeting. Meetings shall be governed by rules of procedure determined by the Board from time to time.

Section 6.12 Action Without Meeting

Any action required or permitted to be taken by the Board may be taken without a meeting if all members of the Board, individually or collectively, consent in writing to the action. For the purposes of this Section 6.12 only, "all members of the Board" shall not include any "interested Trustee" as defined in section 5233 of the California Nonprofit Corporation Law. A unanimous written consent shall have the same force and effect as a unanimous vote of the Board taken at a meeting. Written consents shall be filed with the minutes of the proceedings of the Board. Written consents may be transmitted by first-class mail, messenger, courier, facsimile, e-mail or any other reasonable method satisfactory to the Chairperson.

Section 6.13 Fees and Compensation of Trustees

The Corporation shall not pay any compensation to Trustees for services rendered to the Corporation as Trustees. Trustees may be reimbursed for out-of-pocket expenses incurred on behalf of the Corporation, in reasonable amounts as approved by the Board. Trustees may not be compensated for rendering services to the Corporation in any other capacity. Notwithstanding, the Corporation may, in the discretion of the Executive Committee, provide reasonable meals and lodging for those in attendance at Board and Committee Meetings.

Section 6.14 Non-Liability of Trustees

To the maximum extent permitted by applicable law, Trustees shall not be personally liable for the debts, liabilities, or other obligations of the Corporation.

Section 6.15 Duties of the Board

The Board shall perform at least the following duties:

- (a) with any obligations for the Board specified in these Bylaws;
- (b) Establish the purpose of, and Board policies for, the Corporation (and modify as necessary), and guide the Corporation in furtherance of such purpose and policies;
- (c) Elect and remove (as necessary) a Trustee;
- (d) Hire, evaluate, and remove (as necessary) the Chief Executive Officer of the Corporation;
- (e) Review and approve (if satisfactory) the annual budgets;
- (f) Create committees as necessary and approve (or reject) committee recommendations;
- (g) Raise and secure sustainable funding for the Corporation; and
- (h) Borrow or otherwise incur indebtedness, if necessary, for the Corporation.

ARTICLE 7 COMMITTEES

Section 7.1 Committees

7.1.1 Standing Committees

The following committees shall at all times exist to perform the work of the Board (although the name of a committee may be modified by the Board without amending these Bylaws): (1) an Executive Committee, governed by the provisions of Section 7.4; (2) a Governance Committee, governed by the provisions of Section 7.5; (3) a Nonprofit Integrity Act/Audit Committee, governed by Section 7.6; (4) a Budget and Finance Committee, governed by the provisions of Section 7.7; and (5) any other committees required by applicable law (collectively referred to as "Standing Committees").

7.1.2 Advisory Committees

The Board may, by resolution adopted by a majority of all Trustees, create one (1) or more committees of the Board that are not Standing Committees ("Advisory Committees") to serve at the discretion of the Board and in furtherance of the Corporation's purpose. An Advisory Committee must have at least three (3) or more Trustees appointed by the Chairperson. For the avoidance of doubt, an Advisory Committee is tasked with performing the work of the Board in a specific area (e.g., a building committee), and is not a task force (e.g., a committee for an event). Task forces do not require formation by a Board resolution.

7.1.3 Committee Chairs

The Board Chairperson shall, in coordination with the Governance Committee, select the chairs for the Standing Committees and Advisory Committees ("Committee Chair"). The Committee Chair of each Standing Committee (except for the Audit Committee), but not each Advisory Committee, must be a Trustee.

Section 7.2 Meetings and Action of Committees

Each Committee Chair designates the date, time and place of the meetings and delegates the maintenance of records of all business transacted. Committee meetings will be documented. The documentation will be made available to the Board, if requested by the Board. The Committee Chair may report the committee activity to the Board from time to time as the Board may require. A resolution of the Board may determine the time and date for regular and special committee meetings and shall supersede any designation by the Committee Chair. The Board may adopt rules for the governance of any committee consistent with the provisions of these Bylaws. In the absence of rules adopted by the Board, the committee may adopt such rules. In the absence of rules adopted by the Board, the committee may adopt such rules.

Section 7.3 Quorum Rules for Committees

A majority of the committee members shall constitute a quorum for the transaction of committee business, except to adjourn. A majority of the committee members present, whether or not constituting a quorum, may adjourn any meeting to another time and place. Every act taken or decision made by a majority of the committee members present at a meeting duly held at which a quorum is present shall be regarded as an act of the committee, subject to the provisions of the California Nonprofit Corporation Law relating to actions that require a majority vote of the entire Board. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of committee members, if any action taken is approved by at least a majority of the required quorum for that meeting. No action taken by a committee shall be considered an action by the Board until such time as the Board, by majority, resolves and votes by majority to approve such action.

Section 7.4 Executive Committee

The Executive Committee shall consist of all Officers of the Board, as listed in Section 8.1, as well as Trustees selected by the Chairperson after conferring with and giving due consideration to the input of the Governance Committee.

The Executive Committee shall meet between regular Board meetings to implement Board policy in furtherance of the Corporation's purpose. The Executive Committee has the power, in its sole discretion, to act on the following matters without Board approval: (1) emergency matters that may arise between regular Board meetings which require a resolution before a Board meeting may be called; and (2) matters as directed by the Board. Emergency matters shall consist of actions where a meeting, electronic or otherwise, of the Board is not possible within forty-eight (48) hours and a quorum is not formed. The Executive Committee must report to the Board within forty-eight (48) hours of a decision or action taken that has financial consequences outside of the ordinary course of business in excess of \$75,000 or any serious personnel matter that requires reporting to legal authorities. The Executive Committee is authorized to hire professional and legal authorities in its deliberations. The Secretary of the Corporation shall act as Secretary of the Executive Committee and keep minutes of its meetings. The Secretary shall report to the Board on actions taken by the Executive Committee, as necessary.

Section 7.5 Governance Committee

The Governance Committee shall: (1) oversee the governance of the Board; (2) consider the need for changes in the existing Bylaws; (3) provide nominations and vetting for new Trustees to the Board for approval; (4) recommend policies and practices which will produce a more effective operation of the Board including but not limited to assessing the performance of the Board and individual Trustees, determine what skills, experiences and relationships the Board needs; review the demographics of the current Board; and providing a summary of the Board self-assessment to the Board; and (5) conduct any other activities as requested by the Board Chairperson

Section 7.6 Nonprofit Integrity Act/Audit Committee

In any fiscal year in which the Corporation receives or accrues gross revenue of two (2) million dollars or more (excluding grants from, and contracts for services with, governmental entities for which the governmental entity requires an accounting of the funds received), the Board shall appoint an Audit Committee and delegate to it any and all of its powers and authority in the management of the business and affairs of the Corporation as is required by law. The Audit Committee shall: (i) prepare annual financial statements using generally accepted accounting principles that are audited by an independent certified public accountant ("CPA") in conformity with generally accepted auditing standards; and (ii) make the audit available to the Attorney General and to the public on the same basis that the Internal Revenue Service Form 990 is required to be made available.

The Audit Committee may include non-Trustees, but may not include the Chief Executive Officer, Chairperson, Vice Chair, Treasurer, employees of the Corporation, or any person who has a material financial interest in any entity doing business with Corporation.

The Audit Committee may also:

- (a) Make recommendations to the Board on the hiring and firing of the CPA;
- (b) Confer with the CPA to satisfy Audit Committee members that the financial affairs of the Corporation are in order and review and determine whether to accept the audit;
- (c) Approve non-audit services by the CPA; and

(d) Negotiate the CPA's compensation on behalf of the Board.

Section 7.7 Budget and Finance Committee

The Budget and Finance Committee shall:

- (a) Develop and make recommendations on the annual budgets, (including but not limited to a capital budget) annual assessments and investment strategy, all of which shall be approved by the Board annually at one of the regularly scheduled meetings as set by the Board Chairperson and the Governance Committee Chairperson;
- (b) Evaluate and make recommendations on quarterly financial statements and reports, annual accounting audit and tax returns, annual contracts, capital expenditures, financial policies and procedures, spending authorities and investments;
- (c) Have all contracts for expenses that are not in the annual approved budget within their proper GAAP expense category, be approved by the Board by either electronic vote or at a vote at a regularly conducted meeting of the Board; For the purpose of clarity, expenses that are not in the annual budget are those expenses that (i) do not fall within a budget category that has been considered in the creating of the budget and approved by the Board and (ii) force such budget category to exceed the amount approved by the Board, and
- (d) Conduct any other activities as requested by the Board.

The Budget and Finance Committee may not make final decisions on any matters or expend funds without the approval of the Board of Trustees.

Section 7.8 Revocation of Delegated Authority

The Board may, at any time, revoke or modify the authority that the Board has delegated to an Advisory Committee. The authority of the Standing Committees can only be modified by an amendment to these Bylaws.

ARTICLE 8 OFFICERS

Section 8.1 Officers

The officers of the Board ("Officers") shall consist of a Chairperson, Vice Chair, a Secretary, a Treasurer, and an Advisory Officer. The Advisory Officer shall be the preceding Chairperson. Should the previous Chairperson decline to serve as the Advisory Officer, the then serving Chairperson shall select a past Chairperson that is a member of the Board to serve as Advisory Officer. The Board shall have the power to designate additional Officers with such duties, powers, titles and privileges the Board may fix. Any number of officer positions may be held by the same person, except that the Secretary and the Treasurer may not serve concurrently as the Chairperson.

Section 8.2 Nomination and Election of Officers of the Board of Trustees

The Chairperson, in coordination with the Governance Committee, shall nominate Officers for election and present such nominees to the Board for consideration at a regular or special Board meeting. A Trustee must serve on the Board for a minimum of one (1) year to become eligible to become an officer. Nominees receiving a majority vote of the total number of trustees present at a meeting shall be elected Officers and installed at the next Annual Meeting. The term of office of each Officer shall be three (3) years commencing upon installment as provided in the preceding sentence. Officers may not hold the same elected office for more than three (3) consecutive terms. An Officer shall be allowed to complete his or her term in accordance to section 6.3.2 (f). Unless an Officer dies, resigns, or is removed from office, he or she shall hold office until the next Annual Meeting of the Board or until his or her successor is elected, whichever is later.

Section 8.3 Removal of Officers

Any Officer may be removed, with or without cause by two-thirds (2/3) majority of all Trustees, at any regular or special meeting of the Board, or at the Annual Meeting of the Corporation.

Section 8.4 Resignation of Officers

Any Officer may resign at any time by giving written notice to the Corporation. Any resignation shall take effect at the date of receipt of that notice or at any later time specified in that notice, and unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Corporation under any contracts to which the Officer is a party.

Section 8.5 Vacancies of Officers

A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled in the manner prescribed in these Bylaws at the meeting they are elected. in the manner prescribed in these Bylaws for regular appointments to that office, provided that such vacancies shall be filled as they occur and not on an annual basis, with the newly elected Officer installed at the meeting they are elected.

Section 8.6 Responsibilities of Officers

8.6.1 Chairperson of the Board

- (a) Presides at all meetings of the Board.
- (b) Calls special meetings of the Board.
- (c) May affix the signature of the Corporation to deeds, conveyances, obligations, and instruments.
- (d) Appoints the Chair of all Standing Committees.
- (e) Is a voting member of all Standing Committees.
- (f) Is empowered to act on behalf of the Corporation when the Board or Executive Committee is unable to meet.
- (g) Is empowered to exercise and perform such other powers and duties as may from time to time be assigned by the Board or prescribed by these Bylaws.
- (h) If, for any reason, there is no President or the President becomes incapacitated, the Chairman of the Board, or a Trustee designated by the Chairman, shall, in addition to his/her other duties, act as Chief Executive Officer of the Academy until a new President is hired.

8.6.2 Vice Chair

- (a) Performs the duties of the Chairperson when the Chairperson is temporarily absent;
- (b) Assumes the office of the Chairperson when the Chairperson is unable to complete his or her term of office; and
- (c) Leads other projects at the request of the Board or Chairperson.

8.6.3 Secretary

- (a) The Secretary shall certify and keep or cause to be kept at the principal office of the Corporation the original or a copy of these Bylaws as amended to date.
- (b) The Secretary shall give, or cause to be given, notice of all meetings of the Board in accordance with these Bylaws.
- (c) Is responsible for the preparation of the minutes of all Board meetings (but may delegate and oversee this function).
- (d) Is responsible for all formal corporate records and correspondence pertaining to the Board (but may delegate and oversee this function) – absent other determination in a resolution by the Board or Executive Committee.

- (e) The Secretary shall keep of cause to be kept the seal of the Corporation, if any, in safe custody, and shall have such other powers and perform such other duties incident to the office of Secretary as may be prescribed by the Board or these Bylaws.

8.6.4 Treasurer

- (a) Is responsible for providing best practices oversight of all financial transactions of the Corporation and making appropriate recommendations to the Board or Executive Committee.
- (b) Chairs the Budget and Finance Committee.
- (c) Is responsible for preparing the annual budget in concert with the CFO, President/CEO, and Chairperson, and subject to approval of the Board of Trustees.
- (d) The Treasurer shall work closely with any paid executive staff of the Corporation to ascertain that appropriate procedures are being followed in the financial affairs of the Corporation and shall perform such other duties as may be assigned by the Board.
- (e) The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included I financial statements. The books of accounts shall be open to inspection by any Trustee at all reasonable times.
- (f) The Treasurer shall prepare, or cause to be prepared, and certify or cause to be certified, the financial statements to be included in any required reports.
- (g) The Treasurer shall deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the Corporation with such depositories as may be designated by the Board; shall disburse, or cause to be disbursed, the funds of the Corporation as may be ordered by the Board; shall render, or cause to be rendered to the President, and Trustees, whenever they request, and account of all their transactions as Treasurer and of the financial condition of the Corporation, and shall have other powers and perform such other tasks as directed by the Board.

Section 8.7 President

Executive Functions:

- (a) The President shall be the chief executive officer and official advisor and executive agent of the Board.
- (b) The President shall exercise the general supervision over all the affairs of the school, represent the school to the community, and bring such other matters to the attention of the Board as are appropriate to keep the Board fully informed to meet its responsibilities.
- (c) The President shall have the powers, on behalf of the Board of Trustees to sign any and all contracts for which funds have been allocated and authorized by the Board in the approved operating budget, or in any capital budget or emergency expenditure authorized and approved by the Board.
- (d) An annual review of the performance of the President shall be conducted. The Board shall determine the procedure and process to be followed after consultation with the President. The Chairperson and Governance Chair shall appoint a committee to conduct the evaluation process, which committee shall include the Chairperson and at least two (2) other Trustees. The committee shall report its findings and actions to the Board and shall make any recommendations that it may have with respect to the President.

Section 8.8 Compensation of Certain Parties

The Board shall periodically review the fairness of compensation, including benefits, paid to the President and the Chief financial officer. (i) once such a person is hired, (ii) upon any extension or renewal of such person's term of employment and (iii) when such

person's compensation is modified (unless all employees are subject to the same general modification of compensation),

ARTICLE 9 TRANSACTIONS BETWEEN CORPORATION AND TRUSTEES OR OFFICERS

Section 9.1 Transactions with Trustees and Officers

9.1.1 Interested Party Transaction

Except as described in Section 9.1.2, the Corporation shall not be a party to any transaction:

- (a) In which one or more of its Trustees or Officers has a material financial interest; or
- (b) With any corporation, firm, association, or other entity in which one or more Trustees or Officers has a material financial interest.

9.1.2 Requirements to Authorize Interested Party Transactions

The Corporation shall not be a party to any transaction described in Section 9.1.1 unless:

- (a) The Corporation enters into the transaction for its own benefit;
- (b) The transaction is fair and reasonable to the Corporation at the time the transaction is entered into;
- (c) Prior to consummating the transaction or any part thereof, the Board authorizes or approves the transaction in good faith, by vote of a majority of all Trustees as provided in Section 6.9.3 (without counting the vote of the interested Trustee(s)) with knowledge of the material facts concerning the transaction and the interested Trustee(s)' or Officer(s)' financial interest in the transaction.
- (d) Prior to authorizing or approving the transaction, the Board considers and in good faith determines after reasonable investigation that the Corporation could not obtain a more advantageous arrangement with reasonable effort under the circumstances; and
- (e) The Minutes of the Board meeting at which such action was taken reflect that the Board considered and made the findings described in paragraphs (a) through (d) of this Section 9.1.2.

9.1.3 Material Financial Interest

Trustee or Officer shall not be deemed to have a "material financial interest" in a transaction

- (a) If the contract or transaction is part of a public or charitable program of the Corporation and it: (1) is approved or authorized by the Corporation in good faith and without unjustified favoritism; and (2) results in a benefit to one or more of the Trustees or their families only because they are in the class of persons intended to be benefited by the program; or
- (b) Where the interested Trustee has no actual knowledge of the transaction and it does not exceed the lesser of one percent of the gross receipts of the Corporation for the preceding fiscal year or \$100,000.

Section 9.2 Loans to Trustees and Officers

The Corporation shall not make any loan of money or property to or guarantee the obligation of any Trustee or Officer.

Section 9.3 Interlocking Directorates/Trusteeships

No contract or other transaction between the Corporation and other corporation, firm or association of which one or more Trustees are directors/trustees is either void or voidable because such trustee(s) are present at the Board or Committee meeting that authorizes, approves or ratifies the contract or transaction, if (i) the material facts as to the transaction in good faith by a vote sufficient without counting the vote of the common trustee(s) (subject to the quorum provisions of Article 6); or if (ii) the contract or

transaction is just and reasonable as to the Corporation at the time it is authorized, approved or ratified.

Section 9.4 Duty of Loyalty; Construction with Article 10

Nothing in this Article 9 shall be construed to derogate in any way from the absolute duty of loyalty that every Trustee and Officer owes to the Corporation. Furthermore, nothing in this Article 9 shall be construed to override or amend provisions of Article 10. All conflicts between the two articles shall be resolved in favor of Article 10.

Section 9.5 Duty and Disclosure Actual and Potential Conflicts of Interest

Trustees and Officers shall make an appropriate disclosure of all material facts, including the existence of any financial interest, at any time that any actual or potential conflict of interest arises. This disclosure obligation includes instances in which a Trustee or Officer knows of the potential for an Interested Party Transaction as described in Section 9.1.1 related to their interests or a transaction involving interlocking directors/Trustee described in Section 9.3. It also includes instances in which a Trustee or Officer plans not to attend a meeting of the Board or a Committee of the Board described in Section 7.2 at which such Trustee or Officer has reason to believe that the Board or Committee will act regarding a matter about which such Trustee or Officer may have a conflict. Depending on the circumstances, this disclosure may be made to the Chairperson or if the potential conflict of interest first arises in the context of a Board or Committee meeting, the entire Board or the members of the Committee considering the proposed transaction or arrangement that relates to the actual or possible conflict of interest.

ARTICLE 10 INDEMNIFICATION OF TRUSTEES, OFFICERS, EMPLOYEES AND AGENTS

Section 10.1 Indemnity for Litigation

The Corporation hereby agrees to exercise the power to indemnify any person who was or is a party or is threatened to make party to any proceeding by reason of the fact that such person is a Trustee, Officer, employee or other agent (as defined in Section 5238 of the Nonprofit Public Benefit Corporation Law of the State of California) of the Corporation, to the full extent allowed under the provisions of said Section 5238 relating to the power of a Corporation to indemnify any such person. The amount of such indemnity shall be so much as the Board of Trustees determines and finds to be reasonable, or, if required by said section 5238, the amount or amendment of this Section 10 shall not adversely affect any right or protection of any Trustee or any Officer existing at the time of such repeal or amendment.

Section 10.2 Advance of Expenses

Expenses incurred in defending any proceeding may be advanced by the Corporation before the final disposition of the proceeding on receipt of an undertaking by or on behalf of the Agent to repay the amount of the advance unless it is determined ultimately that the Trustee, Officer, employee, or other agent is entitled to be indemnified as authorized in this Article 10.

Section 10.3 Contractual Rights of Non-Trustees and Non-Officers

Nothing contained in this Article 10 shall affect any right to indemnification to which persons other than Trustees and Officers of the Corporation, or any of its subsidiaries, may be entitled by contract or otherwise.

Section 10.4 Insurance

The Board may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any Trustee, Officer, employee, or other agent, against any liability asserted

against or incurred in such capacity or arising out of such persons as such, whether or not the Corporation would have the power to indemnify the person against the liability under

ARTICLE 11 CORPORATE RECORDS, REPORTS

Section 11.1 Minute Book

The Corporation shall keep a minute book in written form which shall contain a record of all actions of the Board including (i) the time, date and place of each meeting; (ii) whether a meeting is regular or special and, if special, how called; (iii) the manner of giving notice of each meeting and a copy of the notice; (iv) the names of those present at each meeting of the Board; (v) the minutes of all meetings; (vi) any written waivers of notice, consents to holding to a holding of a meeting or approvals of the minutes; (vii) all written consents for action without a meeting; (viii) all protests concerning lack of notice; and (ix) formal dissents from Board actions.

Section 11.2 Books and Records of Account

The Corporation shall keep adequate and correct books and records of account. "Correct books and records" includes, but is not limited to accounts of properties and transactions, its assets, liabilities, receipts, disbursements, gains and losses.

Section 11.3 Articles of Incorporation and Bylaws

The Corporation shall keep at its principal office the original or a copy of the Articles of Incorporation and Bylaws as amended to date.

Section 11.4 Maintenance and Inspection of Federal Tax Exemption Application and Annual Information Returns

The Corporation shall at all times keep at its principal office a copy of its federal tax exemption application and, for three years from their date of filing, its annual information returns. These documents shall be open to public inspection and copying to the extent required by the Code.

Section 11.5 Annual Report: Statement of Certain Transactions

The Board shall cause an annual report to be sent to each Trustee within 120 days after the close of the Corporation's fiscal year containing the following information:

- (a) The assets and liabilities of the Corporation, including the trust, as of the end of the fiscal year.
- (b) The principal changes in assets and liabilities, including trust funds during the fiscal year.
- (c) The revenue or receipts of the Corporation, both unrestricted and restricted to particular purposes, for this fiscal year.
- (d) The expenses or disbursements of the Corporation for both general and restricted purposes during the fiscal year.
- (e) A statement of any transaction (i) to which the Corporation was a party, (ii) which involved more than \$10,000 or which was one of a number of such transactions with the same person involving, in the aggregate, more than \$10,000, and (iii) in which any Trustee or Officer of the Corporation, or its subsidiary had a direct or indirect material financial interest (a mere common directorship/Trusteeship is not a financial interest).

The statement shall include: (i) a brief description of the transaction; (ii) the names of the interested persons involved; (iii) their relationship to the Corporation; (iv) the nature of their interest in the transaction, and; (v) when practicable, the amount of that interest, provided that, in the case of a partnership in which such person is a partner, only the interest of the partnership need be stated.

- (f) A brief description of the amounts and circumstances of any loans, guaranties, indemnifications, or advances aggregating more than \$10,000 paid during the fiscal year to any Officer or Trustee under Article 9 or Article 10.

Section 11.6 Trustees' Rights of Inspection

Every Trustee shall have the right upon prior written notice to the Chairperson and at any reasonable time, to inspect the books, records, documents of every kind, and physical properties of the Corporation. The inspection may be made in person or by the Corporation's agent or attorney. The right of the inspection includes the right to request a copy and make extracts of documents.

Section 11.7 Corporation Seal

The Corporation seal, if any, shall be in such form as may be approved from time to time by the Board. Failure to affix the seal to Corporation instruments, however, shall not affect the validity of any such instruments.

ARTICLE 12 EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS

Section 12.1 Execution of Instruments

The Board, except as otherwise provided in these Bylaws, may by resolution authorize any Officer or agent of the Corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances. Unless so authorized, no Officer, agent, or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

Section 12.2 Checks and Notes

Notwithstanding the authority of the Chairperson, authorized signers of checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of the Corporation shall be designated by a resolution of the Board. Checks in excess of twenty-five thousand dollars (\$25,000) shall require two (2) signatures. Signatories shall include the President, Chief Financial Officer, Chairperson, Treasurer and any other parties as shall be assigned by the Board.

Section 12.3 Deposits

All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board may select.

Section 12.4 Gifts

The Board may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the charitable or public purposes of the Corporation.

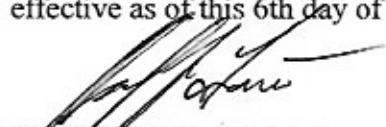
ARTICLE 13 CONSTRUCTION AND DEFINITIONS

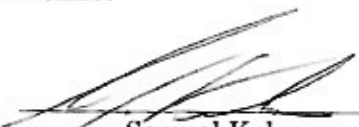
Section 13.1 Unless the context requires otherwise, the general provisions, rules of construction, and definitions of California Nonprofit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of the above, the masculine gender includes the feminine and neuter, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both the Corporation and a natural person. All references to statutes, regulations and laws shall include any future statutes, regulations and laws that replace those referenced.


**Written Consent of Officers to the
Amendment and Restatement of the Bylaws**

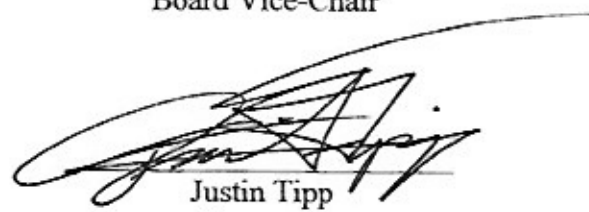
We the undersigned, constituting all of the Officers of the Board of Trustees of this Corporation now in office, do hereby consent to, adopt and ratify the foregoing Amended and Restated Bylaws of the Army and Navy Academy, and each acknowledge that these are the Bylaws of this Corporation, and that they now supersede all previous versions of these Bylaws.

IN WITNESS WHEREOF, we have each signed these Amended and Restated Bylaws effective as of this 6th day of December 2025, in Carlsbad, California.



Jeff Tisor
Board Chair

Samual Kahn
Board Vice-Chair

Brad Larson
Secretary

Justin Tipp
Treasurer