

NABIP FOUNDATION
999 E STREET, NW, SUITE 400, WASHINGTON, DC 20004

BYLAWS

ARTICLE 1

Purposes

1.1 Purpose. The corporation is a nonprofit public benefit corporation and is not organized for the private gain of any person. It has a charitable purpose: to promote consumer education about the health care system and to improve the health system, which purpose shall include, but not to be limited to, the following:

- (i) Informing consumers, government, insurers & field underwriters about health care including access to, utilization of, and current issues relating to health care & disability insurance.
- (ii) Fundraising for creation and distribution of seminars, courses, and educational materials relating to health care & disability issues.
- (iii) Creation and distribution of materials relating to health care and disability issues.
- (iv) Provision of information resources to consumers of health care, health insurance providers and other health care & disability industries.
- (v) Provision of support, both financial and otherwise, to other programs that promote to improve health care & disability education.

1.2 Limitations. The purposes for which this corporation is organized are exclusively charitable and educational within the meaning of Section 501 (c) (3) of the Internal Revenue Code. Notwithstanding any other provisions of the Articles of these Bylaws, the 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 corporate contributions which are deductible under Section 170 (c) (2) of the Internal Revenue Code. The property of the corporation shall inure to the benefit of, or be distributable to, its members, directors, officers, or other private persons. The foregoing shall not preclude the corporation from paying reasonable compensation for services rendered or from making payments and distributions in furtherance of the purposes set forth in the Article and otherwise in these Bylaws. No substantial part of the activities of the corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation. The corporation shall not participate or intervene in any political campaign (including the publication or distribution of statements) on behalf of (or in opposition to) any candidate for public office.

ARTICLE II

Board of Directors

2.1 Powers. Subject to the limitations of the Articles of Incorporation, of the Bylaws, and the Nonprofit Public Benefit Corporation Law of the State of California, and subject to the duties of the Directors as presented by Bylaws, all corporate powers shall be exercised by or under the authority of, and the business and affairs of the corporation shall be controlled by, the Board of Directors. Without limiting the foregoing, the Board of Directors shall have the power to levy dues and assessments, to select and remove all officers, agents, employees and contractors, and to fix reasonable compensation therefore, to authorize and empower officers or agents to enter into contracts and other commitments on behalf of the corporation, and to appoint and delegate responsibilities and authority to committees, officers and agents.

2.2 Number of Directors. The corporation shall consist of twelve (12) voting members. The Board of Directors shall consist of the following members: the current NABIP Chief Executive Officer and the current NABIP Chief Financial Officer shall each serve as voting members of the corporation, the NABIP current President, one NABIP member appointed by the NABIP President, and up to eight (8) at-large members (at least four (4) of who are NABIP members in good standing).

2.3 Eligibility. The Board shall include persons with interests, expertise, skills or knowledge concerning the financial, legal, accounting, managerial, operational, educational, fund raising and community aspects of related to the corporation's purposes and activities.

2.4 Election; Term of Office. All at-Large members of the Board of Directors of the NABIP Foundation shall be elected by the Board of Directors. Both the NABIP Chief Executive Officer and the NABIP Chief Financial officer shall serve as the President and Vice-President/Secretary-Treasurer respectively for as long as they hold their NABIP positions. The current NABIP President and NABIP President's appointment shall each serve for one (1) year. At-Large members shall serve for three years. These terms shall be staggered. The Board of Directors shall elect a Chair and Vice-Chair who will assume office at the beginning of each Board year of service (July 1st – June 30th). The Chair and Vice-Chair shall serve each for a one (1) year term.

2.5 Vacancies. Vacancies on the Board of Directors shall be filled by the Board of Directors. A director so named to fill a vacant seat shall serve the remainder of the term. In the event that the position of President of the corporation shall become vacant the Vice President shall act as Interim President.

2.6 Place of Meeting. All meetings of the Board of Directors may be held at any place which has been designated from time to time by resolution of the Board or by the written consent of a majority of the Directors.

2.7 Organization Meetings. Not less frequently than annually, the Directors shall hold a regular meeting for the purpose of organizing the Board, the election of officers and the transaction of such business as may come before the meeting.

2.8 Other Regular Meetings. Other regular meetings of the Board of Directors shall be held approximately annually, or such other periodic basis as may be specified and noticed by the Board of Directors or the President of the organization.

2.9 Special Meetings. Special Meetings of the Board of Directors for any purpose may be called at any time by the President or by 25% of the Directors.

2.10 Notice of Meetings. Notice of the time and place of each meeting of the Board of Directors not fixed by an express provision of the Bylaws or by any standing Resolution of the Board of Directors shall be given to each Director not less than 14 days prior to the meeting.

2.11 Consent of Meetings. The transactions of the Board of Directors at any meeting however called and noticed or whenever held, shall be as valid as though done at a meeting duly held after call and notice, if a quorum be present and if either before or after the meeting each Director not present signs a written waiver of notice, or a consent to the holding of such meeting or approval of the minutes thereof, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such Director. All such waivers, consents or approvals shall be made a part of the minutes of the meeting.

2.12 Action Without Meeting. Any action required or permitted to be taken by the Board of Directors under any provision of the Nonprofit Public Benefit Corporation Law of the State of California may be taken without a meeting if all members of the Board shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with minutes of the proceedings of the Board. Such action by written consent shall have the same force and effect as a unanimous vote of such Directors. Any certificate or other document filed under any provision of the Nonprofit Public Benefit Corporation Law of the State of California which relates to action so taken shall state that the action was taken by unanimous written consent of the Board of Directors without a meeting, and that the Bylaws authorize the Directors to so act. For the purpose of this section only, "all members of the Board" shall not include any "Interested Directors" as defined in Section 2.21.

2.13 Telephonic Meetings. Members of the Board may participate in a meeting through use of conference telephone or similar communications equipment, so long as all members participating in such meeting can hear one another. Participation in a meeting through use of telephone or similar communications equipment shall constitute presence at such meeting.

2.14 Quorum. Except to adjourn as hereinafter provided, a majority of the members of the Board of Directors shall constitute a quorum for the transaction of

business. Every act or decision done or made by a majority of the Directors present at the meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors.

2.15 Adjournment. A majority of the Directors present, whether or not a quorum is present may adjourn any Directors' meeting to meet again at another time or place. In the event a meeting of the Board of Directors is adjourned for more than twenty-four (24) hours, notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.

2.16 Fees and compensation. Directors shall not be compensated for serving on the Board of Directors. Directors shall be entitled to reimbursement of expenses incurred on behalf of the corporation.

2.17 Non-liability of Directors and Certain Officers.

a. Volunteer Directors. Pursuant to Section 5239 of the Nonprofit Public Benefit Corporation Law of the State of California, there shall be no personal liability to a third party of a volunteer Director or volunteer President, Vice –President, Secretary or Treasurer of this corporation caused by the Director's or officer's negligent act or omission in the performance of that person's duties as a Director or officer, if all the following conditions are met:

- i. The act or omission was within the scope of the Director's or officer's duties.
- ii. The act or omission was performed in good faith;
- iii. The act or omission was not reckless, wanton, intentional, or grossly negligent;
- iv. The corporation has complied with the requirements of subsection (b) below.

This limitation on the personal liability of a volunteer Director or officer does not limit the liability of the corporation for any damages caused by acts or omissions of a volunteer Director or volunteer officer, nor does it eliminate the liability of a director or officer provided in Section 5233 or 5237 of the Nonprofit Public Benefit Corporation Law of the State of California in any action or proceeding brought by the Attorney General.

b. Requirement to Obtain Liability Insurance. In order to obtain the full benefit of the limitation of liability set forth in subsection (a) above, the corporation and the Director shall make all reasonable efforts in good faith to obtain liability insurance in the form of a general liability policy for the corporation or a directors' and officers' liability policy.

2.18 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 be made a party to any proceeding by reason of the fact that such person is or was a Director, 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 provision 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 Directors determines and finds to be reasonable, or, if required by said Section 5238, determines and finds to be reasonable.

2.19 Interested Persons. Pursuant to section 5227 of the Nonprofit Public Benefit Corporation Law of the State of California, no more that forty-nine percent (49%) of the Directors serving the Board may be “interested persons.” For the purposes of this section, “interested persons” means either (i) any person currently being compensated by the corporation for services rendered to it within the previous twelve (12) months whether as a full-time or part-time employee, independent contractor, or otherwise, ; or (ii) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, mother-in-law or father-in-law of any such person. The provision of this Section 2.19 shall not affect the validity or enforceability of any transaction entered into by the corporation.

2.20 Standard of Conduct. Pursuant to Section 5231 of the California Nonprofit Public Benefit Corporation Law, a Director shall perform the duties of a Director, including duties as a member of any committee of the Board upon which the Director may serve, in good faith, in a manner such Director believes to be the best interest of the corporation and with such care, including reasonable inquiry, as an ordinary prudent person in a like position would use under similar circumstances. In performing the duties of a Director, a Director shall be entitled to rely on information, opinions, reports or statements including financial statements and other financial data, in each case prepared or presented by:

- a. One or more officers or employees of the corporation whom the Director believes to be reliable and competent in the matters presented;
- b. Counsel, independent accountants or other persons such as to matters which the Director believes to be within such person’s professional or expert competence; or
- c. A committee of the Board upon which the Director does not serve, as to matters within its designated authority, which committee the Director believes to merit confidence. Provided, that in any such case, the Director acts in good faith, after reasonable inquiry when the need therefore is indicated by the circumstances and without that knowledge that would cause such reliance to be unwarranted.

2.21 Self-Dealing Transactions. Pursuant to Section 5233 of the Nonprofit Public Benefit Corporation Law of the State of California, the corporation shall not be a party to a transaction in which one or more of its Directors has a material financial interest (Interested Director) unless:

- a. Approval by Attorney General. The Attorney General, or the court in an action in which the Attorney General is an indispensable party, has approved the transaction before or after it was consummated; or
- b. Approval by the Board. Prior to entering into the transaction, after full disclosure to the Board of all material facts as to the proposed transaction and the Interested Director's interest and investigation and report to the Board as to alternative arrangements for the proposed transaction, if any, the Board in good faith and by a vote of a majority of the Directors then in office (without including the vote of the Interested Director):
 - i. Resolves and finds that (1) the transaction is in the corporation's own benefit, (2) the transaction is fair and reasonable as to the corporation, and (3) after reasonable investigation under the circumstances as to alternatives, the corporation could not have obtained a more advantageous arrangement with reasonable efforts under the circumstances; and
 - ii. Approves the entire transaction; or
- c. Interim Approval by Authorized Committee or Person. If it is not reasonably practicable to obtain approval of the Board prior to entering into such transaction, a committee or person authorized by the Board approves the transaction in a manner consistent with the procedure set forth in subsection (b) of this section; and the Board, after determining in good faith that the corporation entered into the transaction for its own benefit and that the transaction was fair and reasonable as to the corporation at the time it was entered into, ratifies the transaction at its next meeting by the vote of the Interested Director.

ARTICLE III

Officers

3.1 Officers. The officers of the corporation shall be a President, Vice-President, Secretary, Treasurer, and such other officers as the Board of Directors may appoint. The position of President shall be filled by the NABIP Chief Executive Officer and the position of Vice-President/Secretary/Treasurer shall be the NABIP Chief Financial Officer. In the event that the position of President is temporarily vacant, the Vice-President shall serve as the Interim President and the Board of Directors shall appoint an interim Secretary/Treasurer.

3.2 Election. The officers of the corporation shall be chosen annually by the Board of Directors, and each shall hold his or her office until he or she shall resign or shall be removed or otherwise disqualified to serve, or his or her successor shall be elected and qualified.

3.3 Removal and Resignation. Any officer may be removed, either with or without cause, by the Board of Directors or by the Board of Trustees of NABIP at any regular or special meeting thereof. Any officer may resign at any time by giving written notice to the Board of Director, or to the President, or to the Secretary of the corporation. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specific therein, and, unless otherwise specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

3.4 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause, shall be filled in the manner proscribed in the Bylaws for regular appointments to such office.

3.5 President. Subject to control of the Board of Directors, the President shall have general supervision, direction and control of the business and affairs of the corporation. He or she shall serve as an ex officio member of all committees, shall report periodically to the Board of Trustees of NABIP, and shall have such other powers and duties as may be prescribed from time to time by the Board of Directors.

3.6 Vice-President. In the absence or disability of the President, a Vice-President selected by the President shall perform all the duties of the President, and in so acting shall have all of the powers of the President. The Vice-President shall have such other powers and duties as may be prescribed from time to time by the Board of Directors.

3.7 Secretary. The Secretary shall keep a full and complete record of the proceedings of the Board of Directors, shall keep the seal of the corporation and affix it to such papers and instruments as may be required in the regular course of business, shall make service of such notices as may be necessary or proper, shall supervise the keeping of the records of the corporation, and shall have such other powers and duties as may be prescribed from time to time by the Board of Directors.

3.8 Treasurer. The Treasurer shall receive and safely keep all funds of the corporation and deposit them with such depositories as may be designated by the Board of Directors. She/he shall disburse the funds of the corporation as may be ordered by the Board of Directors; shall render to the President and the Directors, whenever they request it, an account of all transactions and of the financial condition of the corporation; and shall have such other powers and duties as may be prescribed by the Board of Directors.

ARTICLE IV

Committees.

4.1 Appointment of Committees. The Board of Directors may appoint an Executive Committee and such other standing or special ad hoc committees as the Board from time to time deems necessary or appropriate to conduct the business and further the objectives of the corporation. The appointment by the Board of an Executive Committee and any other committee having the authority of the Board shall be by resolution adopted by a majority of Directors then in office. The Executive Committee and any other committee having authority of the Board shall consist of two (2) or more Directors.

4.2 Powers and Authority of Committees. The Board of Directors may delegate to the Executive Committee or any other committee having the authority of the Board, any of the powers and authority of the Board of Directors in the management of the business and affairs of the corporation, except the following:

- a. The approval of any action for which the Nonprofit Public Benefit Corporation Law of State of California also requires the approval of the members of a corporation, in which event the approval of the Board of Directors shall be required.
- b. The filling of vacancies on the Board or in any committee which has the authority of the Board.
- c. The amendment or repeal of any resolution of the Board which by its express terms is not so amendable or repealable.
- d. The appointment of committees of the Board having the authority of the Board, or the Board, or the members thereof.
- e. The approval of any self-dealing transaction, except as permitted in Section 2.21 of these Bylaws

ARTICLE V

Miscellaneous

5.1 Fiscal Year. For purposes of accounting the corporation shall operate on a January 1 to December 31 calendar-year basis.

5.2 Inspection of Corporation Record. The books of account and minutes of the proceedings of members and Directors, and any Executive Committee or other committees of the Directors, shall be open to inspection at any reasonable time upon the

written demand of any Director. Such inspection may be made in person or by an agent or attorney, and shall include the right to make photocopies and extracts.

5.3 Representation of Shares of other Corporations. The President of the corporation is authorized to vote, represent and exercise on behalf of the corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of the corporation. The authority herein granted to the President may be exercised by the President in person or any other persons authorized to do so by proxy duly executed by the President.

5.4 Checks, Drafts, Etc. All checks, drafts or other orders for payment of money, notes or other evidences of indebtedness issued in the name of or payable to the corporation and any and all securities owned by or held by the corporation requiring signature for transfer shall be signed or endorsed by such person or persons and in such manner as from time to time shall be determined by the Board of Directors.

5.5 Execution of Contracts. The Board of Directors may authorize any officer, or officers, agent, or agents, to enter into any contract or execute any contract or execute 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 by the Board of Directors, no officer, agent, or employee shall have any power or authority to bind the corporation or to pledge its credit or render or make liable for any purpose or any amount. Provided, that pursuant to Section 5214 of the Nonprofit Public Benefit Corporation Law of the State of California, any such contract or instrument between the corporation and any third person, when signed by the President or any Vice-President and the Secretary or Treasurer of the corporation, shall be valid and binding upon the corporation in absence of actual knowledge on the part of said third person that the signing officers has no authority to execute the same.

5.6 Annual Statement of Certain Transaction and Indemnification. To the extent required by Section 6322 of the Nonprofit Public Benefit Corporation Law of the State of California, the Board of Directors shall cause an annual statement of the transaction and indemnifications specified in Section 6322 to be distributed not later than one hundred twenty (120) days after the close of the fiscal year. If the corporation issues an annual report, this requirement shall be satisfied by including the required information in said annual report.

5.7 Corporate Loans, Guarantees and Advances. The corporation shall not make any loan of money or property to or guarantee the obligation of any Director or officer, except as is expressly allowed under Section 5236 of the Nonprofit Public Benefit Corporation Law of the State of California.

5.8 Public Inspection and Disclosure. The corporation shall have available for public inspection at its principal office a copy of its three (3) most recent annual exempt organization information returns and a copy of its application for recognition of exemption. In addition, in the event that the corporation provides services or information

to the public for a fee, and such services or information are available from the federal government free of charge or at nominal cost, such availability shall be conspicuously disclosed in an easily recognizable format in any solicitation or offer by the corporation.

5.9 Political Activities. The corporation shall not intervene in any political campaign on behalf of, or in opposition to, a candidate. The corporation shall not make any political expenditure or lobbying expenditure which will result in the loss of, or otherwise adversely affect, its status as a tax-exempt organization under the Internal Revenue Code.

ARTICLE VI

Elective Date and Amendments

6.1 Elective Date. These Bylaws shall become effective immediately upon their adoption. Amendments to these Bylaws shall become effective immediately upon the adoption of the amendment unless the Board of Directors in adopting the amendment provides that it is to become effective at a later date.

6.2 Amendments. These Bylaws may be amended or repealed and new Bylaws adopted by the vote of the majority of the members of the Board of Directors then in office. No such amendment, or repeal, or adoption, having the effect of superseding Section 1.1 or this Section 6.2 shall be effective unless and until it is approved by the Board of Trustees of NABIP.

CERTIFICATE OF SECRETARY

I, the undersigned, do hereby certify:

1. That I am the duly elected and acting Secretary of NABIP Foundation.
2. That the foregoing Bylaws constitute the bylaws of the said corporation adopted on January 1, 2023 by the resolution of the Board of Directors.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of the said corporation this __1st__ day of __January__2023, in Washington, DC.

Jennifer Murphy
Secretary