

**BYLAWS, CHARTERS AND POLICIES
OF THE
SAN DIEGO VELODROME ASSOCIATION**

AMENDED AND RESTATED BYLAWS, CHARTERS, POLICIES, CODE OF ETHICS AND ROLES & RESPONSIBILITIES OF THE BOARD OF DIRECTORS ADOPTED OR PROMULGATED BY THE BOARD OF DIRECTORS OF THE SAN DIEGO VELODROME ASSOCIATION ON DECEMBER 7, 2016:

1. AMENDED AND RESTATED BYLAWS
2. GOVERNANCE COMMITTEE CHARTER
3. POLICY COMMITTEE CHARTER
4. DEVELOPMENT AND MEMBERSHIP COMMITTEE CHARTER
5. CONFLICT OF INTEREST POLICY
6. WHISTLEBLOWER POLICY
7. RECORDS RETENTION POLICY
8. COMPENSATION REVIEW POLICY
9. CODE OF ETHICS
10. ROLES AND RESPONSIBILITIES OF THE BOARD

**AMENDED AND RESTATED BYLAWS
OF THE
SAN DIEGO VELODROME ASSOCIATION**

**ARTICLE I
NAME**

1.1 Name. The name of this corporation is San Diego Velodrome Association, Inc. (the "Corporation"), also referred to herein as the San Diego Velodrome Association or simple the SDVA.

ARTICLE II PURPOSE

2.1 **Purposes.** The Corporation has been organized for the purposes set forth in the Articles of Incorporation and, specifically, the San Diego Velodrome Association is a public benefit, membership-based nonprofit corporation incorporated under the laws of the State of California for the purposes of engaging in, promoting, encouraging and otherwise supporting bicycle track racing, both as an athletic sport as well as a recreational activity, including such related activities as, but not limited to, bicycle training and educational programs, bicycle safety programs, bicycle swap meets and youth bicycling programs. Insofar as the San Diego Velodrome Association is authorized by the City of San Diego Park and Recreation Department for the use of the velodrome facility at Balboa Park, the San Diego Velodrome Association shall be responsible for administering, conducting, coordinating and/or all bicycling recreational and racing activities, including events sanctioned under provisions of the American Track Racing Association (ATRA), USA Cycling, the United States Olympic Committee, and the International Cycling Union (UCI).

2.2 **Limitations.** The Corporation shall not take any action that is inconsistent with the Articles of Incorporation.

ARTICLE III OFFICE

3.1 **Principal Office.** The principal office of the Corporation for the transaction of its business, if any, shall be located at 2221 Morley Field Drive, San Diego, California, 92104, or in such other place as may be specified by resolution of the Board (as defined in Section 4.1).

3.2 **Other Offices.** The Corporation may also have branch or subordinate offices at other places any other time as the Board may from time to time designate.

ARTICLE IV BOARD OF DIRECTORS

4.1 **Powers.** Subject to the provisions of California's Nonprofit Corporation Law, Articles of incorporation, and these Bylaws, the Corporation's activities and affairs shall be conducted, and all corporate powers shall be exercised, by or under the direction of the Board of Directors of the Corporation (the "Board"). Directors shall have no power as individual directors and shall act only as members of the Board.

4.2 **Number of Directors.** The number of authorized directors of the Corporation shall be not less than five (5) nor more than fifteen (15) with the exact number of authorized directors to be fixed by resolution of the Board one or more weeks before the Annual Membership Meeting. The preferred number of directors shall be seven (7).

4.3 **Qualification of Directors.** No more than forty-nine percent (49%) of the directors serving on the Board may be interested persons, as defined in Section 5227 of the Nonprofit Corporation Law. However, any violation of this Section 6.3 shall not affect the validity or enforceability of any transaction entered into by the Corporation.

4.4 **Election and Term of Office.** Directors shall be nominated and elected by action of the Members, as set forth in Article 6 of these Bylaws, at the Annual Meeting of the Members to serve for the period from January 1st until the end of that calendar year. A director may serve any number of terms, whether consecutive or not.

4.5 **Vacancies.** A vacancy or vacancies on the Board shall exist in the event that the actual number of directors is less than the minimum authorized number for any reason. In addition, the Board may declare by resolution a vacancy in the office of any director who has been declared of unsound mind by an order of court, convicted of a felony, or found by final order or judgment of any court to have breached a duty under Article 3 of Chapter 2 of the Nonprofit Corporation Law.

4.6 Resignation. Except as provided below, any director may resign at any time by giving written notice to the Chair of the Board, the President, or the Secretary (each as defined in Section 7.1). The resignation shall take effect upon receipt of notice or at any later time specified in the notice. Unless otherwise specified in the notice, the resignation need not be accepted to be effective.

4.7 Removal. A director may be removed from office at any time with or without cause by a vote of the members, provided that a special quorum of at least twenty percent (20%) of the membership is present and at least two-thirds (2/3) of those present and voting vote in favor of the removal. The Board may continue to conduct the affairs of the SDVA with a reduced number of directors; provided, if the number of directors is less than five (5), then the remaining directors shall appoint one or more directors for the remaining term or terms of office to maintain five directors on the Board or, alternatively, the remaining directors may call a special membership meeting to fill the vacancy or vacancies. No reduction in the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

4.8 Filling Vacancies. Vacancies on the Board may be filled by approval of the Board or, if the number of directors then in office is less than a quorum, by

- (i) unanimous written consent of the directors then in office,
- (ii) a vote of a majority of the directors then in office at a meeting called in accordance with Section 5.3, or
- (iii) a sole remaining director.

A director elected to fill an existing vacancy shall hold office for the unexpired portion of the term, or until his or her death, resignation, or removal from office.

4.9 Compensation and Reimbursement. Directors shall not receive any compensation for their services as directors. The Board may authorize the advancement or reimbursement to a director of actual reasonable expenses incurred in carrying out his or her duties as a director.

4.10 Conflict of interest Policy. The Board shall adopt a policy that requires directors, officers, and key employees to disclose interests that constitute or could result in a conflict of interest (the "Conflict of Interest Policy"). The Conflict of Interest Policy shall also specify, in accordance with Sections 5233 and 5234 of the Nonprofit Corporation Law, the steps that must be taken by the Board to approve a decision or transaction that involves an actual or apparent conflict of interest. The Board shall regularly and consistently monitor and enforce compliance with the Conflict of Interest Policy.

ARTICLE V MEETINGS OF THE BOARD OF DIRECTORS

5.1 Annual Meeting. An annual meeting of the Board shall coincide with the Annual Membership Meeting provided for in Section 6.5(i).

5.2 Regular Meetings. Regular meetings of the Board shall be held at least quarterly on such dates, times, and places as determined by the Board. The Board may conduct any portion of the meeting in executive session for matters pertaining to personnel, tangible or real property acquisitions, and/or pending or threatened litigation. While in executive session, only Board members and individuals invited by the Chair of the Board may be present. When not in executive session, Board meetings shall be open to members.

5.3 Special Meetings. Special meetings of the Board, for any purpose, may be called at any time by any Board officer, or any two directors, with notice to the members provided no less than four (4) days in advance thereof. The meeting shall be held at a place within the County of San Diego as designated by the person or persons calling the meeting, and in the absence of such designation at the velodrome facility.

5.4 Telephone and Electronic Meetings. Any meeting may be held by conference telephone, electronic video screen, simultaneous email transmission or similar communication equipment, as long as all directors participating in the meeting can hear (or read) one another. All such directors shall be deemed to be present in person at such a meeting. The Board may exercise decisions through non-simultaneous email transmissions if such decisions are subsequently ratified at a regular or special meeting of the Board.

5.5 Notice. Regular meetings may be held within San Diego County without notice if the date, time, and place of the regular meetings are fixed by action of the Board. Notice of the date, time, and place within San Diego County of a special meeting, or of a regular meeting if the date, time, or place of regular meetings are not designated by the Board, shall be given to each member, each director, and the President, by one of the following methods:

- (i) upon four (4) days' notice if by first-class mail; or
- (ii) forty-eight (48) hours before the meeting if by personal delivery of written notice:
 - (a) by telephone, whether directly to the member or director, to a person at the member or director's office who would reasonably be expected to communicate that notice promptly to the member or director, or by voice-messaging system;
 - (b) by facsimile transmission; or
 - (c) by email.

All such notices shall be given or sent to the member or director's address, email address, or telephone number as shown on the records of the Corporation. The notice shall state the date, time and place of the meeting. It need not specify the purpose of the meeting.

5.6 Voting. Each director present and voting at a meeting shall have one vote on each matter presented to the Board for action at that meeting. No director may vote at any meeting by proxy.

5.7 Waiver of Notice. Notice of a meeting need not be given to any director who signs a waiver of notice, a written consent to the holding of the meeting, or an approval of the minutes of the meeting, whether before or after the meeting, or attends the meeting without protesting the lack of notice, either before or at the commencement of the meeting. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meetings.

5.8 Quorum. A majority of the authorized number of directors shall constitute a quorum for the transaction of business. An action taken or decision made by a majority of the directors present at a duly held meeting at which a quorum is present shall be the act of the Board, except as provided by Section 5211 of the Nonprofit Corporation Law or as elsewhere provided in these Bylaws. No business shall be considered by the Board at any meeting at which a quorum is not present. The directors at a duly held meeting at which a quorum is initially present may continue to transact business, despite the departure of directors, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

5.9 Adjournment. A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. Notice of adjournment to another time or place need not be given unless the original meeting is adjourned for more than twenty-four (24) hours, in which case notice shall be given 24 hours before the time of the adjourned meeting to the directors who were not present at the time of the adjournment.

ARTICLE VI MEMBERSHIP

6.1 SDVA Established as a Membership Corporation. The SDVA is a membership corporation, with the Board of Directors established by vote of the members.

6.2 Admitting Memberships. SDVA may admit persons or other legal entities to membership for no consideration or for such consideration as is determined by the Board of directors. The Board of Directors may admit any person to membership, or deny membership to any person without cause, except that any denial may not be on the basis of race, color, national origin, religion, sex (including gender identity, sexual orientation, or pregnancy), age or disability.

6.3 Membership Categories. By resolution of the Board of Directors, the SDVA may establish and, from time to time, amend and modify classes of membership, and may permit a person or other legal entity to be a member of more than one class.

6.4 Membership Rights and Privileges. SDVA members shall have the right to elect the Board of Directors; to nominate oneself or another member (subject to that person's approval) for election as a Director; to attend the annual membership meeting and vote on any issue presented to the members at that meeting; to attend meetings of the Board of Directors (except as otherwise provided in these Bylaws); to inspect the records of the Corporation upon giving reasonable notice to the Board; and as provided below to petition for any special meetings of the members. The members shall have such privileges as the Board of Directors may determine from time to time.

6.5 Membership Meetings and Voting.

- (i) An Annual Membership Meeting shall be held at such place within San Diego County on such date during the last quarter of each calendar year as is determined by the Board of Directors for the purpose of conducting an election of the Board of Directors and to transact any other proper business which may be brought before the meeting.
- (ii) A Special Membership Meeting may be held at any time if requested by three (3) or more votes of the Board of Directors, regardless of whether this vote constitutes a majority. Any member may at any time request a Special Membership Meeting, subject to approval by three (3) votes of the Board of Directors, given either personally, by mail or by email transmission.
- (iii) Ten percent of the membership that is current and valid as of the date of the meeting shall constitute a quorum. If a quorum is present, the affirmative vote of the majority of the voting power represented at the meeting, entitled to vote, and voting on any matter shall be the act of the members. Representation of a member by proxy shall not be permitted. The members present at a duly called or held meeting at which a quorum is present may continue to transact business until adjournment notwithstanding the withdrawal of enough members to leave less than a quorum, if any action taken is approved by at least a majority of the members required to constitute a quorum.
- (iv) Whenever members are required or permitted to take any action at a meeting, a written notice shall be given not less than 10 nor more than 30 days before the date of the meeting to each member who, on the record date for notice of the meeting, is entitled to vote. Such notice shall state the place, date and time of the meeting and the general nature of the business to be transacted. No business shall be transacted except that which is described in the notice.
- (v) The notice of any meeting at which directors are to be elected shall include the number of directors to be elected and the names of all those who are nominees at the time the notice is given to members. Additional names may be added at the meeting.

- (vi) Any action which may be taken at any regular or special meeting of members may be taken without a meeting if the corporation distributes a written ballot to every member entitled to vote on the matter. Such ballot shall set forth the proposed action, provide the opportunity to provide specific approval or disapproval of any proposal, and provide a reasonable time within which to return the ballot to the corporation. Approval by written ballot pursuant to this section shall be valid only when the number of votes cast by ballot within the time period specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve at a meeting at which the total number of votes cast was the same number of votes cast by ballot. A solicitation for ballots as provided in this section shall indicate the number of responses required to meet the quorum requirement and, with respect to ballots other than for election of directors, shall state the percentage of approvals necessary to pass the measure submitted. The solicitation must specify the time by which the ballot must be received in order to be counted. A written ballot may not be revoked after its submittal. Directors may be elected by written ballot under this paragraph so long as the ballot procedure includes a date for the close of nominations prior to the distributing of the ballots.
- (vii) Any action required or permitted to be taken by the members may be taken without a meeting, if all members shall individually or collectively consent in writing to the action. The written consent or consents shall be filed with the minutes of the meetings of the members. The action by written consent shall have the same force and effect as the unanimous vote of the members.

6.6 Membership Determined by Board of Directors. The Board of Directors may develop and amend membership criteria from time to time to ensure applicants for membership support the stated purposes of the San Diego Velodrome Association.

ARTICLE VII COMMITTEES

7.1 Board Committees. The Board may, by resolution of a majority of directors then in office, provided that a quorum is present, create one (1) or more committees ("Board Committees"), each consisting of two (2) or more directors, to serve at the pleasure of the Board. The Board shall create an audit committee if required by the California Nonprofit Integrity Act of 2004 (the "Nonprofit Integrity Act"). Except for an audit committee required by, and as may be permitted by, the Nonprofit Integrity Act, only directors may serve on any Board Committee. However, the Board Committee may invite individuals who are not members of the Board to participate in Board Committee meetings, provided these individuals will not have voting power and will not be held out as members of the Board Committee. Any such Board Committee, to the extent provided in the Board resolution, shall have all the authority of the Board, subject to the limitations specified in Section 5212 of the Nonprofit Corporation Law.

7.2. Executive Committee. The Board may establish an Executive Committee for the purpose of managing the day-to-day affairs of SDVA. The Board may delegate specific responsibilities and authority to the Executive Committee, including the authority to expend funds within a predetermined amount. The Executive Committee shall consist of at least three Directors and shall be chaired by the President.

7.3 Meetings and Action of Board Committees. Meetings and actions of Board Committees shall be governed by, held, and taken in accordance with the provisions of these Bylaws concerning meetings and other Board actions, except that the time for regular meetings of such Board Committees and the calling of special meetings of such Board Committees may be determined either by Board resolution or by resolution of the Board Committee. Minutes of each meeting of any Board Committee shall be kept and filed with the corporate records. The Board may adopt rules for the governance of any Board Committee, provided they are consistent with these Bylaws; or, in the absence of rules adopted by the Board, the Board Committee may adopt such rules.

7.4 Advisory Committees. The Board may create and appoint individuals to one (1) or more advisory committees ("Advisory Committees"), each consisting of two (2) or more directors, non-directors, or a combination of directors and non-directors. Advisory Committees may not exercise the authority of the Board to make decisions on behalf of the Corporation. Advisory Committees shall be restricted to making recommendations to the Board or Board Committees and implementing Board or Board Committee decisions and policies under the supervision and control of the Board or Board Committee. The Board may, at any time, revoke or modify any or all of the advisory capacities delegated to the Advisory Committee.

7.5 Advisory Boards. There may exist one (1) or more advisory Boards ("Advisory Boards"), consisting of persons who are not officers or directors of the Corporation. Any such Advisory Board shall act only in an advisory capacity, shall have no legal authority to act for the Corporation, and shall clearly be held out as an "advisory Board".

ARTICLE VIII OFFICERS

8.1 Officers. The officers of the Corporation shall be a president (the "President"), a secretary (the "Secretary"), and a treasurer (the "Treasurer"), and such other officers as the Board may determine. Any Director or member of this organization may serve as an officer; provided, only officers who are Directors have a vote on the Board. Any number of offices may be held by the same person, except that neither the Secretary nor the Treasurer may serve concurrently as either the President or the Chair of the Board.

8.2 Other Officers. The Board may appoint any other officers that it deems appropriate. Each officer so appointed shall have the title, hold office for the period, have the authority, and perform the duties specified in these Bylaws or determined by the Board.

8.3 Election and Term. The officers of the Corporation, except those appointed under Section 8.2 of these Bylaws, shall be elected by the Board at the annual meeting for one (1) year terms and shall serve at the pleasure of the Board, subject to the rights, if any, of any officer under any contract of employment

8.4 Resignation. Any officer may resign at any time by giving written notice to the Corporation. The resignation shall take effect upon receipt of notice or at any later time specified in the notice. Unless otherwise specified in the notice, the resignation need not be accepted to be effective. Any resignation shall be without prejudice to the rights, if any, of the Corporation under any contract to which the officer is a party.

8.5 Removal. Any officer may be removed with or without cause by the Board or by any officer on whom the Board may confer that power of removal, without prejudice to any rights of an officer under any contract of employment.

8.6 Vacancies. A vacancy in any office for any reason shall be filled in the manner prescribed in these Bylaws for regular appointments to that office, provided, however, that vacancies need not wait to be filled at the annual meeting.

8.7 President. The President shall preside at all meetings of the Board, if present, and shall exercise and perform such other powers and duties as may be prescribed by these Bylaws or by the Board.

8.8 Secretary. The Secretary shall keep or cause to be kept, at the Corporation's principal office or such other place as the Board may direct, a book of minutes of all meetings, proceedings, and actions of the Board and of Board Committees and Advisory Committees. The minutes of meetings shall include, without limitation, the time and place that the meeting was held; whether the meeting was annual, regular, or special, and, if special, how authorized and the notice given; and the names of those present at Board and Board Committee meetings. The Secretary shall give or cause to be given notice of all meetings of the Board and of Board Committees as required by law or by these Bylaws. The Secretary shall keep or cause to be kept at the Corporation's principal office, a copy of the Articles of Incorporation and Bylaws, as amended to date. The Secretary shall have such other powers and perform such other duties as the Board or these Bylaws may prescribe.

8.9 Treasurer. The Treasurer shall be the chief financial officer of the Corporation and shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of account, including accounts of the Corporation's properties and transactions. The Treasurer shall send or cause to be given to the directors such financial statements and reports as are required to be given by law, by these Bylaws, or by the Board. 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 the Board may designate, shall disburse or cause to be disbursed the Corporation's funds as the Board may order, shall render to the President, Chair of the Board, and the Board, when requested, an account of all transactions as Treasurer and of the financial condition of the Corporation, and shall have such other powers and perform such other duties as the Board or these Bylaws may prescribe.

8.10 Compensation Policy. The Board shall adopt a policy that sets forth guidelines for the determination, review, and approval of the compensation of any key employees.

ARTICLE IX INDEMNIFICATION AND INSURANCE

9.1 Definitions. For purposes of this Article, "Agent" means any person who is or was a director, officer, employee, or other agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee, or other agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, or was a director, officer, employee, or agent of a predecessor corporation of the Corporation or another enterprise at the request of such predecessor corporation; "Proceeding" means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and "Expenses" includes, without limitation, attorneys' fees and any expenses incurred in establishing a right to indemnification under Section 9.2 of this Article.

9.2 Right of Indemnity. To the fullest extent permitted by law and as provided by these Bylaws, this Corporation may indemnify any person who was or is a party or is threatened to be made a party by reason of the fact that such person is or was an Agent of the Corporation, against all Expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with the Proceeding,

9.3 Approval of Indemnity. On written request to the Board by any Agent seeking indemnification, to the extent that the Agent has been successful on the merits, the Board shall promptly authorize indemnification in accordance with Section 5238(d) of the Nonprofit Corporation Law. Otherwise, the Board shall promptly determine, by a majority vote of a quorum consisting of directors who are not parties to the Proceeding, whether the applicable standard of conduct set forth in Section 5238(b) or Section 5238(c) of the Nonprofit Corporation Law has been met and, if so, may authorize indemnification.

9.4 Advancement of Expenses. The Board may authorize the advance of Expenses incurred by or on behalf of an Agent in defending any Proceeding, before final disposition of the Proceeding, if (a) the Board finds that the requested advances are reasonable in amount under the circumstances, and (b) the Agent submits a written undertaking to repay the advance unless it is ultimately determined that the Agent is entitled to be indemnified by the Corporation for those Expenses.

9.5 Insurance. The Corporation shall have the right to purchase and maintain insurance on behalf of any Agent against any liability asserted against or incurred by the Agent in such capacity or arising out of the Agent's status as such, whether or not the Corporation would have the power to indemnify the Agent against such liability under this Article, provided, however, that the Corporation shall not have the power to purchase and maintain such insurance to indemnify any Agent of the Corporation for a violation of Section 5233 of the Nonprofit Corporation Law.

**ARTICLE X
RECORDS, REPORTS, COMMUNICATIONS, AND INSPECTION RIGHTS**

10.1 Inspection by Directors. Every director shall have the right at any reasonable time to inspect the Corporation's books, records, documents, and physical properties, The inspection may be made in person or by the director's agent or attorney. The right of inspection includes the right to copy and make extracts.

10.2 Financial Reporting. The Corporation shall produce and distribute the financial and other reports required by the Nonprofit Corporation Law, including, without limitation, the annual report required by Section 6321 and the statement of transactions or indemnification required by Section 6322, and if required, produce and make publicly available the financial statements required by the Nonprofit Integrity Act. The Board shall cause the annual report to be sent to all directors of the Corporation within one hundred and twenty (120) days after the end of the Corporation's fiscal year. The Corporation shall furnish any Member who so requests a copy of any report filed by the Corporation with the California Attorney General. The Corporation may impose reasonable charges for copying and mailing this report to a Member.

10.3 Fiscal Year. The fiscal year of the Corporation shall be the calendar year, unless otherwise specified by the Board.

10.4 Electronic Transmissions. Unless otherwise provided in these Bylaws, and subject to any guidelines and procedures that the Board may adopt from time to time, the terms "written" and "in writing" as used in these Bylaws (including, without limitation, the written consents contemplated by Section 5.10) include any form of recorded message in the English language capable of comprehension by ordinary visual means, and may include electronic transmissions, such as facsimile or email, provided:

- (i) the Corporation has obtained a valid consent from the recipient to the use of such means of communication;
- (ii) for electronic transmissions to the Corporation, the Corporation has in effect reasonable measures to verify that the sender is the individual purporting to have sent such transmission; and
- (iii) the transmission creates a record that can be retained, retrieved, reviewed and rendered into clearly legible tangible form.

**ARTICLE XI
GIFTS, GRANTS, CONTRACTS, AND INVESTMENTS**

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

11.2 Grants. The Board shall exercise itself, or delegate, subject to its supervision, control over grants, contributions, and other financial assistance provided by the Corporation, including, without limitation, those made in connection with fiscal sponsorship relationships.

11.3 Deposits. All funds of the Corporation shall be deposited to the credit of the Corporation in such banks, trust companies, or other depositories or agency organizations as the Board may authorize.

11.4 Contracts. The Board may authorize any officer(s) or agent(s), in the name of and on behalf of the Corporation, to enter into any contract or execute any instrument. Any such authority may be general or confined to specific instances, or otherwise limited. (In the absence of any action by the Board to the contrary, the President is authorized to execute such instruments on behalf of the corporation.)

11.5 Payment of Money. Except as otherwise specifically determined by resolution of the Board, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of the Corporation shall be signed by the Treasurer or the President.

**ARTICLE XII
AMENDMENTS**

12.1 Amendment of Bylaws. Except as otherwise provided by law and in this provision, these Bylaws may be amended or new bylaws adopted by a two-thirds majority of the Board meeting with a quorum, except that any amendment to change the quorum for a membership meeting may be adopted only on approval of the members.

Amended and restated on December 7, 2016.

**SAN DIEGO VELODROME ASSOCIATION
GOVERNANCE COMMITTEE CHARTER**

ROLE

The Governance Committee (the "Committee") assists the Board of Directors (the "Board") in overseeing the San Diego Velodrome Association govern the arrangements and practices and in identifying and recommending candidates to serve on the Board.

AUTHORITY AND MEMBERSHIP

1. The Committee is a committee of the Board established under Section 7.1 of the Bylaws. Only directors and members may be members of the Committee. The Board will appoint members of the Committee to serve for one-year terms. The Committee will elect a chair from its membership, usually the Chair of the Board or Vice Chair of the Board.
2. The Board may remove a Committee member from the Committee at any time, with or without cause.

RESPONSIBILITIES

- 1 With the President, review periodically the Board's composition in light of directors' skills, experience, demographic, independence, and performance, and, based on that review, identify, recruit, and recommend candidates for membership on the Board.
2. Review periodically and make recommendations to the Board regarding the size, structure, charters, processes, and practices of the Board and Board committees.
3. Review periodically the nomination process for officers and lead the nomination of officers.
4. Recommend to the Board nominees for appointment to each committee.
5. Review periodically and make recommendations to the Board regarding the selection of, and succession process for, the Chair of the Board, the chairs of the committees and the officers.
6. Oversee orientation and education programs for directors and review periodically, make recommendations to the Board regarding, and oversee self-evaluation practices for the Board and each committee.
7. Manage the annual organizational retreat where annual goals are developed.
8. Review periodically the San Diego Velodrome Association Bylaws, conflict of interest policy, record retention policy, and other governance and compliance policies and practices and make recommendations to the Board as appropriate.
9. Perform such other duties as the Board may from time to time assign to the Committee.

Under no circumstances is the Committee authorized to:

1. Fill vacancies on the Board or on any committee with Board authority.
2. Designate or remove from office any directors, or lengthen the term of any director.
3. Fix compensation of the directors.
4. Amend, repeal, or adopt provisions of the bylaws or articles of incorporation.
5. Amend or repeal any Board resolution that is, by its own express terms, not so amendable or repealable.

- 6. Create Board committees or appoint members of Board committees.
- 7. Authorize indemnification for any agent off the San Diego Velodrome Association.
- 8. Expend corporate funds to support a nominee for director after there are more people nominated for director than can be elected.
- 9. Authorize the merger of the San Diego Velodrome Association, or the lease or transfer of substantially all assets.
- 10. Authorize or revoke the decision to wind up and dissolve.
- 11. Approve a self-dealing transaction, except as provided in Section 5233(d)(3) of the California Nonprofit Public Benefit Corporation Law.

OPERATIONS

- 1. The Committee will meet at least once annually or more frequently as it will determine. The Chair of the Committee will preside over the meetings of the Committee. A majority of the members of the Committee then in office will constitute a quorum. Committee approvals will require a vote of a majority of the Committee members present at a meeting at which a quorum is present.
- 2. The Committee will report its activities to the Board on a regular basis.
- 3. The Committee may request any other officer or employee of the San Diego Velodrome Association or any outside consultant, legal counsel or other advisor, to attend meetings or meet with members of the Committee. The San Diego Velodrome Association shall provide for appropriate funding, as determined by the Committee, for payment of compensation to these advisors.
- 4. The Committee will review this charter periodically and recommend any proposed changes to the Board for review.

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**SAN DIEGO VELODROME ASSOCIATION
POLICY COMMITTEE CHARTER**

ROLE

The Policy Committee (the "Committee") assists the Board of Directors (the "Board") in the Board's oversight of the San Diego Velodrome Association policies and positions related to the organization's mission.

AUTHORITY AND MEMBERSHIP

1. The Committee is a committee of the Board established under Section 7.1 of the Bylaws. Only directors and members may be members of the Committee. The Board will appoint members of the Committee to serve for one-year terms. The Committee will elect a Chair from its membership.
2. The Board may fill vacancies on the Committee. The Board may remove a Committee member from the Committee at any time, with or without cause.

RESPONSIBILITIES

1. To guide the policy of the San Diego Velodrome Association and act in an advisory capacity to advocacy activities.
2. Create a proactive work plan that: defines the scope of the issues the San Diego Velodrome Association is involved in and determines where the San Diego Velodrome Association will place the most emphasis.
3. Review and make recommendations to the Board regarding the San Diego Velodrome Association's strategic plan and long-term objectives regarding policy.
4. Review periodically the San Diego Velodrome Association's performance against its mission and its methodologies for reviewing effectiveness.
5. Work with President and staff as requested on advocacy items.
6. Consult with other committees as appropriate to ensure consistent approach and mutual support.
7. Identify contentious policy and advocacy items for vote of the entire Board.
8. Create a system for managing external communications regarding policy positions.
9. Perform such other duties as the Board may from time to time assign to the Committee.

Under no circumstances is the Committee authorized to:

1. Fill vacancies on the Board or on any committee with Board authority.
2. Designate or remove from office any directors, or lengthen the term of any director.
3. Fix compensation of the directors.
4. Amend, repeal, or adopt provisions of the bylaws or articles of incorporation.
5. Amend or repeal any Board resolution that is, by its own express terms, not so amendable or repealable.
6. Create Board committees or appoint members of Board committees.
7. Authorize indemnification for any agent of the San Diego Velodrome Association.

- 8. Expend corporate funds to support a nominee for director after there are more people nominated for director than can be elected.
- 9. Authorize the merger of the San Diego Velodrome Association, the lease or transfer of substantially all assets.
- 10. Authorize or revoke the decision to wind up and dissolve the San Diego Velodrome Association.
- 11. Approve a self-dealing transaction, except as provided in Section 5233(d)(3) of the California Nonprofit Public Benefit Corporation Law.

OPERATIONS

- 1. The Committee will meet at least one time annually or more frequently as it will determine. The Chair of the Committee will preside over the meetings of the Committee. A majority of the members of the Committee will constitute a quorum. Committee approvals will require a vote of a majority of the Committee members present at a meeting at which a quorum is present.
- 2. The Committee will report its activities to the Board on a regular basis.
- 3. The Committee may request any other officer or employee of the San Diego Velodrome Association or any outside consultant, legal counsel or other advisor, to attend meetings or meet with members of the Committee. The San Diego Velodrome Association shall provide for appropriate funding, as determined by the Committee, for payment of compensation to these advisors.
- 4. The Committee will review this charter periodically and recommend any proposed changes to the Governance Committee for review.

**SAN DIEGO VELODROME ASSOCIATION
DEVELOPMENT AND MEMBERSHIP
COMMITTEE CHARTER**

ROLE

The Development and Membership Committee (the "Committee") assists the Board of Directors (the "Board") by supporting the planning and execution of the San Diego Velodrome Association membership and fundraising strategies.

AUTHORITY AND MEMBERSHIP

1. The Committee is a committee of the Board established under Section 7.1 of the San Diego Velodrome Association Bylaws. Only directors may be members of the Committee. The Committee may invite individuals who are not members of the Board to participate in Committee meetings, but these individuals will not have voting power and will not be held out as members of the Committee. The Board will appoint members of the Committee, each to serve for one-year terms. The Committee will elect a Chair from its membership.
2. The Board may fill vacancies on the Committee. The Board may remove a Committee member from the Committee at any time, with or without cause.

RESPONSIBILITIES

1. Work to develop membership criteria, membership-building and fundraising strategies and annual membership and development plans that support the annual budget and make recommendations to the Board regarding individual membership applications, categories of membership and fundraising strategies and plans.
2. Monitor execution of membership-building and fundraising plans, including performance against plans, cost-effectiveness, and compliance with legal and ethical standards.
3. Support grant writing, creating development materials, planning fundraising events, and specific fundraising efforts.
4. Facilitate active individual director participation in fund-raising, including director interactions with existing and potential government, foundation, corporate, and individual donors.
5. Engage directly with existing and potential members and donors and identify potential major private and corporate donors.
6. Make recommendations to the Board regarding personal contributions by a director and facilitate same.
7. Oversee provision to the Board of educational material regarding fundraising skills and practices.
8. Assist in the development of programs that are cash flow positive for the organization.
9. Report regularly to the Board with updates regarding activities, including changes to the development plan or membership report.
10. Perform such other duties as the Board may from time to time assign to the Committee.

Under no circumstances is the Development and Membership Committee authorized to:

1. Fill vacancies on the Board or on any committee with Board authority.
2. Designate or remove from office any directors, or lengthen the term of any director.
3. Fix compensation of the directors.
4. Amend, repeal, or adopt: provisions of the bylaws or articles of incorporation.
5. Amend or repeal any Board resolution that is, by its own express terms, not so amendable or repealable.
6. Create Board committees or appoint members of Board committees.
7. Authorize indemnification for any agent of the San Diego Velodrome Association.
8. Expend corporate funds to support a nominee for director after there are more people nominated for director than can be elected.
9. Authorize the merger of the San Diego Velodrome Association or the lease or transfer of substantially all of the San Diego Velodrome Association's assets.
10. Authorize or revoke the decision to wind up and dissolve.
11. Approve a self-dealing transaction, except as provided in Section 5233(d)(3) of the California Nonprofit Public Benefit Corporation Law.

OPERATIONS

1. The Committee will meet at least one time annually or more frequently as it will determine. The Chair of the Committee will preside over the meetings of the Committee. A majority of the members of the Committee then in office will constitute a quorum. Committee approvals will require a vote of a majority of the Committee members present at a meeting at which a quorum is present.
2. The Committee will report its activities to the Board on a regular basis.
3. The Committee may request any other officer or employee of the San Diego Velodrome Association or any outside consultant, legal counsel, or other advisor, to attend meetings or meet with members of the Committee. The San Diego Velodrome Association shall provide for appropriate funding, as determined by the Committee, for payment of compensation to these advisors.
4. The Committee will review this charter periodically and recommend any proposed changes to the Governance Committee for review.

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SAN DIEGO VELODROME ASSOCIATION CONFLICT OF INTEREST POLICY

Introduction

The San Diego Velodrome Association and its leadership and staff are subject to legal requirements relating to conflicts of interest. For example:

1. Federal tax law requires public disclosure by the San Diego Velodrome Association in its Form 990 about business and family relationships between the San Diego Velodrome Association and its leaders, the independence of the San Diego Velodrome Association's Board of directors, and the compensation of San Diego Velodrome Association leadership.
2. Federal tax law and the San Diego Velodrome Association's Articles of Incorporation provide that no part of the net earnings or assets of the San Diego Velodrome Association may inure to directors, officers or other private persons. California law provides that the San Diego Velodrome Association may not be organized for the private gain of any person.
3. California law limits transactions between the San Diego Velodrome Association and its directors, officers, and staff, or with organizations with whom those individuals are affiliated, and provides that a majority of the Board of directors must meet a specified independence standard.
4. California corporation law principles provide that directors owe the San Diego Velodrome Association a duty of loyalty, which requires a director to act in the interest of the organization rather than in the personal interest of the director.

Good governance principles dictate that a charitable organization should adopt and execute policies and procedures to ensure that all conflicts of interest, or the appearance of conflicts, are managed through disclosure, abstention from decision-making, or other means. This Conflict of Interest Policy is intended to manifest and facilitate compliance with these laws, protect the integrity of San Diego Velodrome Association's decision-making process, and enable the San Diego Velodrome Association's constituencies to have confidence in the organization's integrity.

At all times, not more than 49% of the directors of the San Diego Velodrome Association may be "interested persons." An interested person means either: (a) any person currently being compensated by San Diego Velodrome Association for services rendered to it within the previous twelve months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a director in his or her capacity as director; or (b) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, son-in-law, daughter-in-law, mother-in-law, or father-in-law of any such person.

Article I: Purpose

This conflict of interest policy is designed to foster public confidence in the integrity of San Diego Velodrome Association, Inc. (the "Association") and to protect the Association's interest when it is contemplating entering a transaction (defined below) that might benefit the private economic interest of a Director. This policy is to cover all persons who might take an action on behalf of the Association; it includes all officers, in that all officers of the Association are Directors.

Article II: Definitions

Interest means any financial or economic commitment, investment, relationship, obligation, or involvement, direct or indirect, that may influence a person's judgment, including receipt of compensation from the Association, a sale, loan, or exchange transaction with the Association.

A *conflict of interest* is present when, in the judgment of the Board of Directors, a Director's stake in the transaction is such that it reduces the likelihood that a Director's influence can be exercised impartially in the best interests of the Association.

Transaction means any transaction, agreement, or arrangement between a Director and the Association, or between the Association and any third party where a Director has an interest in the transaction or any party to it.

Article III: Procedures

1. Duty to Disclose

Each Director shall disclose to the Board all material facts regarding his or her interest in the transaction, promptly upon learning of the proposed transaction.

2. Determining Whether a Conflict of Interest Exists

With regard to an interested Director, the Board shall determine if a conflict of interest exists. The Director(s) and any other interested person(s) involved with the transaction shall not be present during the Board's discussion or determination of whether a conflict of interest exists, except as provided in Article IV below.

3. Procedures for Addressing a Conflict of Interest

The Board shall follow the procedures set forth in Article IV in order to decide what measures are needed to protect the Association's interests in light of the nature and seriousness of the conflict, to decide whether to enter into the transaction and, if so, to ensure that the terms of the transaction are appropriate.

Article IV: Review by the Board

The Board may ask questions of and receive presentation(s) from the Director(s) and any other interested person(s), but shall deliberate and vote on the transaction in their absence. The Board shall ascertain that all material facts regarding the transaction and the Director's conflict of interest have been disclosed to the Board and shall compile appropriate data, such as comparability studies, to determine fair market value for the transaction.

After exercising due diligence, which may include investigating alternatives that present no conflict, the Board shall determine whether the transaction is in the Association's best interest, for its own benefit, and whether it is fair and reasonable to the Association; the majority of disinterested members of the Board then in office may approve the transaction.

Article V: Records of Proceedings

The minutes of any meeting of the Board pursuant to this policy shall contain the name of each Director who disclosed or was otherwise determined to have an interest in a transaction; the nature of the interest and whether it was determined to constitute a conflict of interest; any alternative transactions considered; the members of the Board who were present during the deliberations on the transaction, those who voted on it, and to what extent interested persons were excluded from the deliberations; any comparability data or other information obtained and relied upon by the Board and how the information was obtained; and the result of the vote, including, if applicable, the terms of the transaction that was approved and the date it was approved.

Article VI: Annual Disclosure and Compliance Statements

Each Director shall annually sign a statement on the form attached (page 20), that:

- affirms that the person has received a copy of this conflict of interest policy, has read and understood the policy, and has agreed to comply with the policy; and,
- discloses the person's financial interests and family relationships that could give rise to conflicts of interest.

Article VII: Violations

If the Board has reasonable cause to believe that a Director of the Association has failed to disclose actual or possible conflicts of interest, including those arising from a transaction with a related interested person, it shall inform such Director of the basis for this belief and afford the Director an opportunity to explain the alleged failure to disclose. If, after hearing the Director's response and making further investigation as warranted by the circumstances, the Board determines that the Director has failed to disclose an actual or possible conflict of interest, the Board shall take appropriate disciplinary and corrective action.

Article VIII: Annual Reviews

The Board shall authorize and oversee an annual review of the administration of this conflict of interest policy. The review may be written or oral. The review shall consider the level of compliance with the policy, and whether the policy should be modified and improved.

**SAN DIEGO VELODROME ASSOCIATION, INC. CONFLICT OF INTEREST POLICY:
ACKNOWLEDGMENT AND FINANCIAL INTEREST DISCLOSURE STATEMENT**

SAN DIEGO VELODROME ASSOCIATION, INC. (the "Association") follows a conflict of interest policy designed to foster public confidence in our integrity and to protect our interest when we are contemplating entering a transaction or arrangement that might benefit the private interest of a director.

Part I. Acknowledgment of Receipt

I hereby acknowledge that I have received a copy of the conflict of interest policy of San Diego Velodrome Association, Inc., have read and understood it, and agree to comply with its terms.

Signature

Date

Printed Name

Part II. Disclosure of Financial Interests

We are required annually to file Form 990 with the Internal Revenue Service, and the form we file is available to the public. To complete Form 990 fully and accurately, we need each officer, director and key employee to disclose the information requested in this Part II.

Part II Please check ONE of the following boxes:

My interests and relationships have not changed since my last disclosure of interests.
[Proceed to signature block below. Do not complete the tables.]

OR

I hereby disclose or update my interests and relationships that could give rise to a conflict of interest:
[Complete the table below. Use additional pages as needed.]

Family Relationships	Names of those presenting a potential conflict of interest
Include spouse/domestic partner, living ancestors, brothers and sisters (whether whole or half blood), children (whether natural or adopted), grandchildren, great grand-children, and spouses/ domestic partners of brothers, sisters, children, grandchildren, and great grandchildren	

Type of interest	Description of interest that could lead to a conflict of interest
Transactions or arrangements with the Organization	
Transactions or affiliations with other nonprofit organizations	
Substantial business or investment holdings	
Transactions or affiliations with businesses not listed above	

I am not aware of any financial interest involving me or a family member that could present a conflict of interest that I have not disclosed either above or in a previous disclosure statement.

Signature

Printed Name

Date

SAN DIEGO VELODROME ASSOCIATION WHISTLEBLOWER POLICY

SCOPE

This Whistleblower Policy applies to all directors, officers, and employees of the San Diego Velodrome Association (collectively, "community members").

GENERAL POLICY

The San Diego Velodrome Association is committed to facilitating open and honest communications concerning its governances, finances, and compliance with law and ethical principles. It is important that the San Diego Velodrome Association community members feel free to raise issues, in good faith and without fear of retaliation, concerning suspected unlawful or improper practices. These matters include, without limitation, suspected fraud, theft, or embezzlement; accounting, internal controls, or auditing irregularities such as undocumented transactions or misleading financial reporting; improper financial transactions or use of San Diego Velodrome Association assets, kickbacks, improper concealment or destruction of the San Diego Velodrome Association records, violations of the San Diego Velodrome Association's conflict-of-interest policy; and violations of law. The San Diego Velodrome Association encourages community members to report issues of concern in accordance with this Whistleblower Policy.

REPORTING A CONCERN

If at any time, the San Diego Velodrome Association community member has a concern regarding the propriety or legality of any action, whether contemplated to be taken or that has been taken by a San Diego Velodrome Association community member, or if he or she believes an action needs to be taken in order for the San Diego Velodrome Association to be in compliance with law, policy, or appropriate ethical standards, the community member may raise the issue directly by speaking with the President of the San Diego Velodrome Association. Alternatively, if he or she is not comfortable speaking with the President or does not believe the issue has been properly addressed, the community member may report violations or suspected violations to the Chair of the Board.

CONFIDENTIALITY

The San Diego Velodrome Association will treat a report of unethical or illegal conduct as confidential, subject to and limited by the need to investigate and prevent or correct the action, and the need to comply with applicable laws. Reporting individuals are expected to cooperate in internal investigations of misconduct and to provide truthful information in connection with any official inquiry or investigation.

NON-RETALIATION

A community member making a report will not be discharged, demoted, disciplined, threatened, harassed or discriminated against for making a report in good faith under this Whistleblower Policy. Any community member who retaliates against an individual for reporting or participating in an investigation of illegal or improper activity may be subject to disciplinary action.

NO IMPACT ON EMPLOYMENT STATUS

This Whistleblower Policy is not an employment contract and does not modify the employment relationship between the San Diego Velodrome Association and its employees. It does not change the fact that employees of the San Diego Velodrome Association are employees at will.

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SAN DIEGO VELODROME ASSOCIATION RECORDS RETENTION POLICY

INTRODUCTION

The San Diego Velodrome Association has adopted this Records Retention Policy for the purposes of managing the storage, retention, and destruction of its corporate records and complying with applicable federal and state laws governing potential civil and criminal liability for the San Diego Velodrome Association and its personnel with respect to such records. Failure to comply with this Policy may have adverse consequences, including inability to locate needed records and incurrence of excess storage costs.

GENERAL POLICY

The San Diego Velodrome Association is committed to maintaining complete, accurate, and high quality Records (defined below). All directors, officers, employees, volunteers, and agents of the San Diego Velodrome Association Personnel shall manage, protect, and maintain all Records in accordance with this Records Retention Policy. "Records" means all documents, files, or writings (including electronic formats) created by any Personnel within the scope of his or her duties to the San Diego Velodrome Association.

DEFAULT RETENTION PERIOD

All Records should be retained for the longer of (i) the period that they are Active or (ii) the period specified in the Records Retention Schedule below. A Record is Active if:

1. There is a regulatory or statutory requirement to retain the Record;
2. It is necessary or advantageous that the San Diego Velodrome Association be able to access the Record in the regular course of business;
3. The Record will be needed for reference at a specific time in the future; or
4. The Personnel maintaining the Record reasonably believe that the Record is Active.

RETENTION OF RECORDS RELEVANT TO LEGAL PROCEEDINGS

No Personnel may alter, destroy, mutilate, or conceal a Record, or attempt to do so, with the intent to impair the Record's integrity or availability for use in a Legal Proceeding (defined below). No Personnel may alter, destroy, mutilate, conceal, cover up, falsify, or make a false entry in any Record or tangible object with the intent to impede, obstruct, or influence a Legal Proceeding.

If the San Diego Velodrome Association learns of a claim that may give rise to a Legal Proceeding, Personnel will cease destruction of all Records to ensure safeguarding of Records relevant to the Legal Proceeding, Personnel may return to normal retention procedures upon being instructed to do so by the President in consultation with its legal counsel.

All Records relevant to or used in any Legal Proceeding should be retained for the longer of (i) ten (10) years after the Legal Proceeding or (ii) a period longer than ten (10) years specified in a Records Retention Schedule determined by the Board.

"Legal Proceeding" means any investigation, civil or criminal litigation, official proceeding or any proper administration of any matter within the jurisdiction of any department or agency of the United States or of any state or local government.

RETENTION OF CORRESPONDENCE

Electronic communications and other general correspondence, including email, pertaining to routine, short-term operations, or whose relevant substance has been incorporated into other, more authoritative Records, may be destroyed after receipt or transmission. All other electronic communications and other general correspondence, including email, should be retained according to any Records Retention Schedule based on the subject matter of the communication.

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SAN DIEGO VELODROME ASSOCIATION COMPENSATION REVIEW POLICY

INTRODUCTION

This is the Compensation Review Policy of the San Diego Velodrome Association, which has adopted this policy to facilitate compliance with California and federal law relating to compensation of senior management of nonprofit organizations and in accordance with best governance practices. The Board of Directors (hereafter the "Board") will follow the requirements set out in this Compensation Policy with respect to review and approval of senior management compensation.

INDIVIDUALS SUBJECT TO THE POLICY

Individuals subject to this Compensation Policy (the "Covered Individuals") are:

1. **Top Management Official.** The person who has ultimate responsibility for implementing the decisions of the Board or for supervising the management, administration, or operations, such as the President. If this ultimate responsibility resides with two or more individuals, then each individual should be included.
2. **Officers.** Persons elected or appointed to manage daily operations, such as the president, vice-president, secretary, or treasurer, including the Top Management Official and the Chief Financial Official with the ultimate responsibility for managing finances, even if such persons are not elected officers of the Board according to the bylaws.
3. **Key Employees.** An employee other than an Officer or director who meets all of the following criteria:
 - **\$150,000 Threshold.** The person receives reportable compensation from the San Diego Velodrome Association and all related organizations in excess of \$150,000 for the calendar year ending with or within the tax year;
 - **Responsibility Criteria.** The person (a) has responsibilities, power, or influence over the San Diego Velodrome Association as a whole that is similar to those of officers, directors, or trustees; (b) manages a discrete segment or activity of the San Diego Velodrome Association that represents 10% or more of the activities, assets, income, or expenses of the San Diego Velodrome Association, as compared to the San Diego Velodrome Association, or (c) has or shares authority to control or determine 10% or more of the capital expenditures, operating budget, or compensation for employees, *and*
 - **Top 20 Limitation.** The person is one of the top 20 most highly compensated employees (including all reportable compensation from the San Diego Velodrome Association and related organizations) for the calendar year ending with or within the San Diego Velodrome Association's tax year.

PROCEDURE FOR APPROVING COMPENSATION

The Board will review the compensation of any Covered Individuals, including direct and indirect remuneration, benefits, and gifts or favors that are not insubstantial as outlined below.

1. **Timing.** The Board will review compensation when a Covered Individual is hired, when a Covered Individual's term of employment is extended or renewed, or when a Covered Individual's compensation is modified, unless the modification extends to employees.
2. **Impartial Decision Makers.** The compensation arrangement must be approved, by the Board or a committee of the Board so delegated in accordance with this policy, before the San Diego Velodrome Association makes any payments.
3. **Comparability Data.** The Board will consider comparability data that demonstrate the fair market value of the compensation in question. These data may include the following:

- Expert compensation studies by independent firms;
 - Written job offers for positions at similar organizations;
 - Documented telephone calls about similar positions at both nonprofit and for-profit organizations; or
 - Information obtained from the IRS Form 990 filings of similar organizations.
4. **Concurrent Documentation.** The Board will document how it reached its decisions, including the data on which it relied. Documentation such as meeting minutes should note
- The terms of the compensation and the date it was approved;
 - The members of the Board who were present during the meeting and those members who voted;
 - The comparability data obtained and relied upon and how the data were obtained; and
 - Any actions taken with respect to consideration of the compensation by anyone who is otherwise a member of the Board but who had a conflict of interest with respect to the decision.
5. **Standards.** The Board will approve the compensation of Covered Individuals only if the compensation is just and reasonable,

DELEGATION TO COMMITTEE

The Board may delegate its review and approval authority, generally or in specific cases, to a committee of the Board composed entirely of individuals who do not have a conflict of interest with respect to the relevant compensation arrangement. Any such committee will follow the process set out in this Compensation Policy.

CERTAIN TERMS USED IN THIS POLICY

"Reportable compensation" means compensation that is reported on Form W-2, Box 5 (or in Box 1 if the employee's compensation is not reported in Box 5), or Form 1099-MISC, Box 7, filed for the calendar year ending with or within the San Diego Velodrome Association's tax year.

A "related organization" is an organization that stands in one or more of the following relationships to the organization: (1) parent- an organization that controls the organization; (2) subsidiary - an organization controlled by the organization, or (3) supporting/supported - an organization that is (or claims to be) at any time during the organization's tax year (i) a supporting organization of the San Diego Velodrome Association within the meaning of Section 509(a)(3) of the Internal Revenue Code, if the organization is a supported organization within the meaning of Section 509(f)(3), or (ii) a supported organization, if the San Diego Velodrome Association is a supporting organization.

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SAN DIEGO VELODROME ASSOCIATION CODE OF ETHICS

The San Diego Velodrome Association exists to promote the bicycle for everyday use because we see as a central solution to the environmental health, and social problems facing our planet.

I. Purpose

This Code of Ethics applies to the San Diego Velodrome Association employees and directors, and is designed to promote a responsible and ethical environment as we collaborate together to achieve our mission.

II. Personal and Professional Integrity

We are committed to promoting a working environment that values respect, fairness, and integrity. We will act with honesty, integrity, and openness in all of our dealings as representatives of the San Diego Velodrome Association.

III. Governance

We have an active Board of Directors responsible for the strategic direction and oversight of the organization. The Board's key responsibilities include:

- Determining mission and purpose
- Determining overall strategies and priorities
- Monitoring program performance and impact
- Overseeing legal and contractual compliance
- Providing proper financial and risk oversight and monitoring efficient use of assets
- Selecting, monitoring, and evaluating the President
- Approving fundraising strategy and monitoring its effectiveness

IV. Inclusiveness and Diversity

We have a policy of promoting inclusiveness in order to enrich our effectiveness. We will continue to practice inclusiveness in our hiring, retention, promotion, Board recruitment, and constituencies served.

V. Responsible Stewardship

We will manage our resources responsibly and prudently. We will concentrate our resources on our programs but will invest appropriately in our management functions to ensure that we operate in a responsible and effective way.

VI. Program Evaluation

We are committed to improving program and organizational effectiveness. Accordingly, we will regularly review our effectiveness, be transparent about our successes and shortfalls, and incorporate lessons learned into future programs.

VII. Fundraising

We will, in our fundraising efforts, comply with applicable laws and good fundraising practices. We will respect the privacy concerns of individual donors and expend funds consistent with donor intent.

VIII. Openness and Disclosure

We will provide comprehensive, accurate, and timely information to the public, the media, and our other stakeholders. We will respond promptly to appropriate requests for information.

IX. **Financial Reporting**

The San Diego Velodrome Associations' responsibility to the public, as well as its obligations under the laws governing nonprofit organizations, require that all transactions be properly recorded in our financial books and records. We will fully and accurately record all transactions in accordance with applicable accounting, tax, and legal requirements.

X. **Compliance**

We will comply with applicable federal, state, and local laws and regulations. We will comply with all San Diego Velodrome Association policies.

XI. **Government Interactions**

We will cooperate with government authorities and respond promptly and fully to appropriate government requests for information. We will provide accurate information to government authority and not obstruct, influence, or impede the request for information.

XII. **Internal Approval Requirements**

Only certain members of our team are authorized to make external commitments and expenditures on behalf of the San Diego Velodrome Association. We will only make these commitments and expenditures with proper authorization and in compliance with applicable policies.

XIII. **Conflicts of Interest**

We will not operate or act in a manner that creates an actual or potential conflict of interest Accordingly:

- a. **Employment.** Spouses, registered domestic partners, children, siblings, parents, in-laws, and step-relatives of employees and directors (collectively, "Relatives") may be eligible for employment with the San Diego Velodrome Association if the relationships are disclosed and the hire has been approved or denied per the Conflict of Interest Policy,
- b. **Vendor Relationship.** Employees and directors will avoid doing business with or buying goods or services for San Diego Velodrome Association from any Relative or any business in which a Relative is associated in any management, ownership, or other important role. If an individual wishes to engage in such a transaction, he or she must obtain prior approval from his or her supervisor. We will conduct all company dealings in a way that avoids preferential treatment.
- c. **Romantic involvement.** Employees or directors who are romantically involved with a competitor, service provider, or subordinate employee of the San Diego Velodrome Association will immediately and fully disclose the circumstances to their supervisor.
- d. **Gifts.** We will not accept or give any payments, gifts, loans, or other favors from or to anyone who is doing, or wishes to do, business with the San Diego Velodrome Association except in accordance with policies.

XIV. **Prohibited Actions**

The following list of prohibited actions, while not exhaustive, provides key applications of the principles reflected in this Code of Ethics. No employee or director will:

- a. **Personal Use.** Use or authorize the use of the name, logo, or other property of the San Diego Velodrome Association for the benefit of any person or entity, except in accordance with the San Diego Velodrome Association policies.

- b. **The San Diego Velodrome Association Affiliation.** Publicly use any San Diego Velodrome Association affiliation in connection with the promotion of partisan politics, religious matters, or positions on any issue not in conformity with the official position of the San Diego Velodrome Association.
- c. **Media Inquiries.** Speak to reporters or other members of the media on behalf of except in accordance with San Diego Velodrome Association policies.
- d. **Corporate Opportunities.** Take personal advantage of opportunities that are discovered through the use of corporate property, information, or one's position without the consent of the Board of Directors.
- e. **Improper Influence.** Knowingly take any action or make any statement intended to influence the conduct of the San Diego Velodrome Association in such a way as to confer any financial benefit on any person, corporation, or entity with which the employee or director has a significant interest or affiliation.
- f. **Confidentiality Disclosure.** Disclose any confidential San Diego Velodrome Association information, available solely as a result of the employee or director's affiliation with the San Diego Velodrome Association, to any person not authorized to receive such information; or use to the disadvantage of the San Diego Velodrome Association any such, confidential information, without the express written authorization of the San Diego Velodrome Association.
- g. **Intellectual Property.** Make unauthorized copies of material from copyrighted books, magazines, newspapers, videotapes, or computer programs in contravention of copyright laws.
- h. **Records.** Alter, falsify, mutilate, cover up, dispose of, or destroy any documents or records related to a government request or investigation or legal proceeding.
- i. **Contrary to the Best Interests of the San Diego Velodrome Association.** Act in any manner that is contrary to the best interests of the San Diego Velodrome Association.

XV. **Conduct**

Staff, officers, and Board members will behave in ethical, businesslike, and lawful ways, including proper use of authority and appropriate decorum. Personal attacks, sarcasm, unfounded allegations, or antagonistic behavior is prohibited.

XVI. **Reporting Violations**

Employees and directors are encouraged to talk to their supervisors about observed illegal or unethical behavior, violations of this Code of Ethics, or questionable accounting, internal controls, or auditing matters. No employee or director may retaliate against any person who raises such a concern or makes such a complaint.

XVII. **Other Policies**

This Code of Ethics states guiding principles for our directors and employees. We maintain specific policies regarding a number of topics. Nothing in this Code of Ethics limits, qualifies, or otherwise affects those policies, and directors and employees are expected to understand and follow them.

XVIII. **Changes**

The Board of Directors may amend this Code of Ethics at any time.

SAN DIEGO VELODROME ASSOCIATION ROLES AND RESPONSIBILITIES OF THE BOARD

LEGAL DUTIES

Directors have two basic legal duties to the organization: a **duty of care** and a **duty of loyalty**

As expressed in the California statute, directors must carry out their responsibilities "in good faith, in a manner such director believes to be in the best interests of the corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances."

The **duty of care** requires that directors be reasonably informed about the organization's activities, participate in decisions, and do so in good faith and with the care of an ordinarily prudent person in similar circumstances. As a practical matter, directors carry out this duty by:

- Attending meetings of the Board and appropriate committees
- Preparing in advance for Board meetings, such as reviewing reports and the agenda prior to meetings of the Board
- Obtaining information, before voting, to make good decisions
- Using independent judgment
- Understanding the organization's structure and programs
- Reviewing the organization's finances, financial policies, and financial reporting
- Evaluating the credentials and performance of the CEO and CFO.

The **duty of loyalty** requires directors to exercise their power in the interest of the organization and not in their own interest or the interest of another entity, particularly one with which they have a formal relationship. In practice, directors carry out this duty by:

- Disclosing any conflicts of interest
- Adhering to the organization's conflict of interest policy
- Avoiding the use of corporate opportunities for the individual's personal gain or benefit
- Not disclosing confidential information about the organization

OPERATIONS

The day-to-day operations are overseen by the President. In order to most efficiently manage time and resources, Board directors will not perform the President functions. Accordingly, except as otherwise provided by law,

- The President, not the Board, will give instructions to and otherwise manage staff:
- The President, not the Board, will be responsible for evaluating all staff other than the Secretary and Treasurer:
- The Board will be accountable for organizational performance, and the Board will measure CEO and CFO performance against annual goals and benchmarks.

BOARD GUIDANCE TO THE PRESIDENT

The Board will instruct the President through written policies that prescribe organizational goals to be achieved and describe situations and actions to be avoided. The President may exercise discretion in the best way to comply with the policies of the Board.

Only actions of the Board are binding on the President. Decisions or instructions of individual Board members are not binding on the President unless the Board has specifically authorized such power.

Board members will take into consideration the demands on staff time and disruptions to the daily operations of the organization when requesting information and assistance. To the extent permitted by law or unless otherwise necessary for a Board member to satisfy his or her fiduciary duties, the President will work with Board members to ensure a timely delivery of information or assistance without placing an undue burden on staff time and resources.

RESPONSIBILITIES

Board **governance** responsibilities include:

- Determining mission and purpose
- Determining overall strategies and priorities
- Monitoring program performance and impact
- Overseeing legal and contractual compliance
- Providing proper financial and risk oversight and monitoring efficient use of assets
- Selecting, monitoring, and evaluating the President
- Approving fundraising strategy and monitoring its effectiveness

Board **support** activities include:

- Contributing to fundraising in a manner appropriate to the individual (personal giving, volunteering at events, making introductions, soliciting contributions)
- Acting as ambassadors to the community
- Lending names and personal credibility to the organization

Governance responsibilities are generally carried out by the Board as a group while supporting activities that are performed by Board members acting as individuals.

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The Board is committed, through its governance arrangements and practices, to supporting its directors as they carry out these responsibilities.

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