

BY-LAWS OF
CAPITAL GYMNASTICS GIRLS' BOOSTER CLUB, INC.
ADOPTED MARCH 2018 (Amended June 2020)

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ARTICLE I

OFFICES AND CONDUCT OF MEETINGS

1. Name and Principal Place of Business

Capital Gymnastics Girls' Booster Club, Inc., a 501(c)(3) corporation organized in the state of Virginia (hereinafter "CGGBC") and is located at 10400 Premier Court, Burke, Virginia, 22015.

2. Purpose

The purpose of CGGBC is to foster a sense of community and fellowship among the gymnastic athletes' families and friends.

3. Registered Agent

The registered agent of CGGBC at such office is Register Agent Solution, Inc. or its designee. Other Places of Business

Branch offices, subordinate offices, or any other places of business may be established at any time by the President or the Executive Board of Directors at any place or places where CGGBC is qualified to do business.

4. Conduct of Meetings-Order

All meetings of CGGBC will be conducted in accordance with Robert's Rules of Order.

5. Conduct of Meetings-Agenda

The agenda of any meeting is the "purpose" of the meeting and must be provided in any notice of the meeting required hereunder. Non-specific agenda categories including, but not limited to, "miscellaneous," "new business," or "open discussion" shall not be used to discuss items that have previously come before the body. Items that have previously been before the body must be specifically set forth as an agenda item. Except for financial business brought by the Treasurer and legal business brought by the General Counsel, if any, no votes shall be taken on items or topics discussed under non-specific agenda categories, instead, those items or topics must be specifically placed on the agenda of the next meeting of the body.

ARTICLE II

GENERAL MEMBERS

1. General Membership Application

In order to be considered a member and/or eligible for any participation in any member function, the prospective participant must first read CGGBC Handbook, (hereinafter, "Handbook"), complete and sign the "Handbook Acknowledgment Sheet" at the end of the Handbook, and submit payment of the membership dues, as required by CGGBC. Prospective members must complete the process set forth herein and pay their dues according to the Handbook. Membership runs year-to-year from June 1st to May 31st.

2. General Membership Eligibility

The Board of Directors shall have the authority to designate and establish the eligibility requirements and membership privileges. In order to be a member of CGGBC, the member must be in good standing with all rules, regulations, policies of USAG, Capital Gymnastics NTC and all state and local codes and statutes. The Board of Directors shall enforce all rules, regulations, policies of USAG, Capital Gymnastics NTC and all state and local codes and statutes. All changes made to these policies will be automatically adopted by CGGBC without vote and change to the By-Laws. If it comes to their attention that any member is not allowed on Capital premises that member will also be banned from all CGGBC activities no matter the location. CGGBC also reserves the right to expel any such member.

3. General Membership Expulsion

Membership and participation in CGGBC do not create a right or an agreement to participate or maintain membership. The Board of Directors shall have the authority to, at any time and for any reason, refund the pro-rata share of membership dues paid and expel any member.

4. Interest in Property

No person solely by virtue of membership shall acquire or hold any vested right or any severable interest in any property or asset of CGGBC. If a member leaves Capital Gymnastics NTC and money is left in that members account, the member forfeits all rights to that money and it can be used by CGGBC for any general purpose.

5. Annual Informational Meeting for the General Members

The annual informational meeting of the general members shall be held upon not less than ten nor more than fifty days written notice of the time, place and purpose of the meeting, in the month of September of every year at a place to be

designated by the President or the Board of Directors; or at such other time and place as shall be specified in the notice of meeting, in order to transact such business as shall come before the meeting.

6. Special Meetings for General Members

A special meeting of the members may be called for any purpose by the President or two (2) members of the Board of Directors or as permitted by law. A special meeting shall be held upon not less than ten (10) nor more than fifty (50) days written notice of the time, place and purpose of the meeting. Electronic mail shall constitute written notice.

7. Election of the Board of Directors

Every May, the members qualified and entitled to vote shall elect the Board of Directors including the President, Vice-President and Secretary, Vice-President of Fundraising, Treasurer, Assistant Treasurer, and as many Level Representatives (Level 3 through 10, Top/Hopes/Elite, Xcel) through an electronic ballot. If there is no one running for certain positions the President may fill vacancies on the Board of Directors through appointment.

8. Voting at Special Meeting for Election of the Board

All current paid members, as determined by the Board, who are not in any form of financial default to CGGBC, are eligible to vote.

9. Record Date

The record date for all meetings of the members shall be as fixed by the Board of Directors or as provided by statute.

10. Voting In-person

For meetings conducted via electronic mail, voting need not be in-person. Otherwise, unless attendance at any meeting has been waived in writing by the Board for a particular member, members must be present to vote. Waiver for any one individual member does not constitute waiver for all members.

11. Quorum

A 2/3 majority of the members entitled to vote shall constitute a quorum. In the event there is a tie vote, the sitting Secretary shall break the tie. For the board a 2/3 majority of the board member entitled to vote shall constitute a quorum.

12. CGGBC Management

The day-to-day business affairs of CGGBC shall be managed and run by the Board through its President and may not be delegated in any form or fashion to non-members other than to procure goods or services and obtain information. However, the Board, in its own discretion, may present an issue, to the members entitled to vote, for discussion, consideration and voting. If properly noticed, this presentation of issues may occur at any special membership meeting or the annual meeting in the sole discretion of the Board. Unless otherwise determined by the Board, most of the members participating in the vote and entitled to vote shall determine the issue. Notwithstanding the foregoing, neither the Board nor the President is obligated nor required to present any management issue to the membership for a vote.

13. Members Entitled to Vote

The Treasurer shall maintain a list of the members entitled to vote. Upon request, the Treasurer shall publish the list of individual members entitled to vote. Should the Treasurer require an extension of time to compose the list, the item(s) to be voted on shall be tabled until the next special meeting of the membership.

ARTICLE III

BOARD OF DIRECTORS

1. Number and Term of Office

The Board of Directors shall consist of at least three (3) members and not more than twenty-five (25) members. Elections shall be held every year at the special meeting in May. Each director shall be elected by a quorum of paid members entitled during the electronic ballot in May that last one week. The Board of Directors shall hold office for twelve (12) months until the next special meeting for the election of the Board or until that director's successor shall have been elected and qualified. At the special meeting every May, the members qualified and entitled to vote shall elect the Board of Directors including the President, Vice-President and Corporate Secretary, Vice- President of Fundraising, Treasurer, Assistant Treasurer, and Level Representatives (Level 3 through Elite). The President may fill vacancies on the Board of Directors through appointment. No Board of Directors member shall have a financial conflict as defined in Article VII.

2. Regular Meetings

Regular meetings of the Board may be held at a regular date, time and location throughout the year if all Board Members are given written notice of the schedule at the start of their year of service. If regular meetings are not already predetermined, then they may be set by any member of the Executive Board. Proper notice is required.

3. Proper Notice for Board Meetings

Proper notice for meeting shall be as follows: Oral notice either by telephone, telegraph "facsimile" or in person shall not be less than twenty (20) days. Written notice regular mail or electronic mail shall not be less ten (10) days. The notice shall be sent to the address, email or phone number in the records for each board member. Notice shall also contain the time and place of the meeting. If the meeting is a regular meeting or a special meeting.

4. Special Meetings

A special meeting of the Board may be called at any time by the President or by two (2) directors for any purpose. Proper notice is required.

5. Action Without Meeting

The Board may act without a meeting if, prior to such action, a 2/3 majority of the membership of the Board shall consent in writing thereto. Such consent or consents shall be filed in the minute book. Action without a meeting conducted by electronic mail do not require prior notice and participation in such meeting constitutes consent thereto. For the purposes of meetings by electronic mail, "participation" means acknowledgment of receipt of the initiating electronic mail.

6. Quorum

A 2/3 majority of the entire Board shall constitute a quorum for the transaction of business. With respect to meetings by electronic mail, the participation of a majority of the entire Board shall constitute a quorum for the transaction of business.

7. Vacancies in Board of Directors

Vacancies in the Board, whether caused by removal, death, mental or physical incapacitation or any other reason, including vacancies caused by an increase in the number of directors, may be filled by appointment by the President or, if the vacancy is the President, the affirmative vote of the remaining directors, even though less than a quorum of the Board, or by a sole remaining director.

8. Duties of the Board of Directors

The Board of Directors through its' President shall be responsible for the operation and management of CGGBC. The day-to-day business affairs of CGGBC shall be managed and run by the Board and its' President and may not be delegated in any form or fashion to non-members other than to procure goods or services and obtain information. Should the Board seek to obtain information from non-members, a request to obtain the information shall be put before the Board and the Board, by majority vote, shall determine the necessity of the request and the form of the question. If deemed necessary by the Board the information will be collected. Should the Board seek to obtain the goods or services of non-members, the request for goods or services shall be put before the Board. The Board by majority vote shall determine the necessity of the request and the procurement of the goods or services. If deemed necessary by the Board the goods or services will be procured.

9. Duties and Authority of President

The President shall be the Chief Executive Officer of CGGBC. Subject only to the authority of the Board, he/she shall have general charge and supervision over, and responsibility for, the business and affairs of CGGBC. Unless otherwise directed by the Board, all other officers shall be subject to the authority and supervision of the President. The President may enter and execute, in the name of CGGBC. contracts or other instruments not in the regular course of business, which are authorized, either generally or specifically, by the Board. He/she shall have the general powers and duties of management usually vested in the office of president of a corporation, including, but not limited to, the power to delegate tasks to the Officers and Members of the Board. The President may establish positions to be filled by appointment, by the President, to assist him/her in the management of CGGBC, including but limited to, general counsel, special advisor to the president, special assistant to the president, assistant secretary, assistant treasurer, and vice-president(s) Community Outreach Liaison.

10. Duties and Authority of Vice-President

The Vice-President shall perform such duties and have such authority as from time-to-time may be delegated to him/her by the President or by the Board. In the event of the absence, death, inability, or refusal to act by the President, the Vice-President shall perform the duties and be vested with the authority of the President. If there is more than one vice-president, the President shall designate the order of succession among the vice presidents.

11. Duties and Authority of Treasurer

It shall be the duty of the Treasurer (a) to keep CGGBC's contracts, insurance policies, and other business records; (b) to see that CGGBC's lists, books, reports, statements, tax returns, certificates and other documents and records required by law are properly prepared, kept and filed; (c) to be the principal officer in charge of tax and financial matters, budgeting and accounting of CGGBC; (d) to have charge and custody of and be responsible for CGGBC's funds, securities and investments; (e) to receive and give receipts for checks, notes, obligations, funds and securities of CGGBC, and deposit monies and other valuable effects in the name and to the credit of CGGBC, in such depositories as shall be designated by the Board of Directors; (f) to cause the funds of CGGBC to be disbursed by payment in cash or by checks or drafts upon the authorized depositories of CGGBC, and to cause to be taken and preserved proper vouchers for such disbursements; (g) to render to the Board of Directors, whenever the Board may require it, an account of all his/her transactions as Treasurer, and reports as to the financial position and operations of CGGBC; (h) to keep appropriate, complete and accurate books and records of account of all CGGBC's fundraising transactions; and (i) to exercise all powers and duties incident to the office of Treasurer; and such further duties from time to time as may be prescribed in these Bylaws or by the Board of Directors.

12. Duties and Authority of Secretary

The secretary shall cause notices of all meetings to be served as prescribed by these By-Laws and shall keep or cause to be kept the minutes of all meetings of the members, committees, and the Board. The secretary shall have charge of the seal of CGGBC, if any. The Secretary shall keep CGGBC records including but not limited to (a) to keep an original or duplicate record of the proceedings of the Board of Directors, and a copy of the Articles and of the Bylaws. The Secretary shall also give such notices as may be required by these Bylaws; The secretary shall perform such other duties and possess such other powers as are incident to that office or as are assigned by the President or the Board.

Removal of Officers

The Board may remove any officer or agent of CGGBC if such action, in the judgment of the Board is in the best interest of CGGBC. Appointment or election to a corporate office shall not, in and of itself, establish or create contract rights.

13. Vacancies in Office

The President, in his/her absolute discretion, may fill all vacancies in offices, regardless of the cause of such vacancies, for the remainder of the terms of offices. In the event the vacancy is the office of the president, a majority vote of the remaining Board shall fill said vacancy, even if the remaining Board members do not constitute a quorum, and a sole remaining director may fill all remaining vacancies by appointment.

14. Executive Officers

The Executive Officers of the Corporation shall be the President, the Vice President, the Secretary and the Treasurer, all of whom shall be elected by the Board of Directors.

15. Offices

One person may hold two or more offices, but no person shall hold the offices of President, Vice President, Treasurer, and Secretary at the same time.

ARTICLE IV

COMMITTEES

1. Formation- Authority

Committees shall be formed at the sole discretion of the Board. A 2/3 vote of the Board is required to form a committee, determine the size of the committee, and establish the nomination time period for nominations to be put forth. Committees serve at the pleasure of the Board and may be dismissed for any reason. However, mandatory dismissal is required for the failure of a committee or any member thereon to comply with these By-laws, the instructions of the Board, and the resolutions of the Board. Unless otherwise limited or reauthorized by a 2/3 vote of the Board a committee will have a term of 60 days.

2. Formation-Participation

Participation on committees is limited to members of CGGBC as defined in Article II, Section 1 of these By-laws. Unless otherwise determined by the Board, a committee shall have at least five (5) members.

3. Nominating Committee Members

Any individual member of CGGBC or Board Member may nominate himself or herself or other members of CGGBC or Board to a committee seat.

4. Electing Committee Members

At the close of the nomination period the Board will vote on the candidates for committee seats. A majority vote of the Board will fill the committee seats, elect a chair, and a secretary.

6. Committee Conduct

The committee will conduct itself in accordance with Article I, Section 3 and Article I, Section 4 of these By-laws. The committee will produce to the Board a final report. This report shall be produced along with the unanimously accepted minutes of the committee as a specifically noticed agenda item for the next Board Meeting following the completion of the task(s) of the committee. No report shall be received by the Board without the unanimously accepted minutes of the committee meetings.

7. Engaging Non-members

Should a committee seek to obtain information from non-members, the committee shall present the question to the Board. The Board by majority vote shall determine the necessity of the request and the form of the question. If deemed necessary by the Board the information will be collected and provided to the committee members. Should a committee seek to obtain the goods or services of non-members, the committee shall pose the request to the Board. The Board by majority vote shall determine the necessity of the request and the procurement of the goods or services. If deemed necessary by the Board the goods or services will be procured and provided to the committee members.

8. Committee Meetings

All committee meetings, including the presentation of the final report and unanimous minutes to the Board, shall be treated as special meetings under these By-laws and the committee secretary must provide notice such that the meeting shall be held on not less than twenty (20) days' notice if given orally, (either by telephone, text, telegraph "facsimile" or in person), or upon not less than ten (10) days' notice if given by depositing the notice in the United States mail, postage prepaid, to the address maintained in the books and records of CGGBC for that director. Such notice shall specify the time, place and purposes of the meeting.

ARTICLE V

WAIVERS OF NOTICE

Any notice required by these By-Laws, the certificate of incorporation or the law of the state of incorporation may be waived in writing by any person entitled to notice. The waiver or waivers may be executed before, at, or after the event with respect to which notice is waived. Each director or member attending a meeting without protesting the lack of proper notice, prior to the conclusion of the meeting, shall be deemed conclusively to have waived such notice. Notwithstanding the foregoing, participation in any meeting conducted by electronic mail constitutes waiver of notice.

ARTICLE VI

AMENDMENTS TO AND EFFECT OF BY-LAWS FISCAL YEAR

1. Force and Effect of By-Laws

These By-Laws are subject to the laws of the Commonwealth of Virginia and they may be amended from time-to-time.

2. Amendments to By-Laws

These By-Laws may be altered, amended and repealed and new By-laws may be adopted by the by the Board at a regular or special meeting.

3. Fiscal Year

The fiscal year of CGGBC shall begin on the first day of June of each Year.

ARTICLE VII

CONFLICT-OF-INTEREST POLICY

1. Purpose

The purpose of the conflict-of-interest policy is to protect this tax-exempt Corporation's interest when it is contemplating entering a transaction or arrangement that might benefit the private interest of director of CGGBC or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable Corporations.

2. Definition "Interested Person"

Any director, executive director, or member of a committee with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.

3. Definition "Financial Interest"

A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:

- a. An ownership or investment interest in any entity with which CGGBC has a transaction or arrangement;
- b. A compensation arrangement with CGGBC or with any entity or individual with which CGGBC has a transaction or arrangement; or
- c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which CGGBC is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. A person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

4. Procedures - Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

5. Procedures – Determining Whether a Conflict of Interest Exists

After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board or committee members shall decide if a conflict of interest exists.

6. Procedures – Addressing the Conflict of Interest

- a. An interested person may make a presentation at the governing board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- b. The chairperson of the governing board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.

- c. After exercising due diligence, the governing board or committee shall determine whether CGGBC can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- d. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in CGGBC's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter the transaction or arrangement.

7. Violations of the Conflicts of Interest Policy

- a. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.
- c. The Board may not approve more than one member with a conflict per fundraiser unless the fundraiser has enough vendors that the conflicts of interest make up less than 10% of the vendors.

ARTICLE VIII

RECORD OF PROCEEDINGS

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

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

ARTICLE IX

COMPENSATION

A voting member of the governing board who receives compensation, directly or indirectly, from CGGBC for services is precluded from voting on matters pertaining to that member's compensation. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from CGGBC for services is precluded from voting on matters pertaining to that member's compensation. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from CGGBC, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

ARTICLE X

ANNUAL STATEMENTS

Each director, principal officer and member of a committee with governing board delegated powers shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflicts of interest policy;
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy; and
- d. Understands CGGBC is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

ARTICLE XI

PERIODIC REVIEWS

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

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

ARTICLE XII

USE OF OUTSIDE EXPERTS

When conducting the periodic reviews as provided for in Article XI, CGGBC may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing board of its responsibility for ensuring periodic reviews are conducted.

ARTICLE XIII

INTERNAL GRIEVANCE PROCEDURE

1. Attendance

The Board of Direction can determine who is welcome to any CGGBC events. If a parent or relative of a gymnast is not allowed on Capital property then they are also prohibited from attending any CGGBC events no matter where it is located.

2. Sportsmanship

Part of the mission of CGGBC is to promote good sportsmanship among all athletes. If it comes to the attention of the board that there is illegal activity going on at the gym, among teammates to include but not limited to selling drugs, vaping on Capital property, the physical harming of another gymnast, stealing, and coming to practice under the influence of drugs. That gymnast will be reported to his or her coach, parent(s) and Barry Neff.

3. Grievance

Any general member of CGGBC may file a written grievance with the President pertaining to any matter within the cognizance of CGGBC and alleging a violation of any provision of these By-Laws or the Handbook.

4. Terms

Any grievance shall be signed under oath and shall allege with particularity the nature of the grievance and each claimed violation of the aforementioned documents by reference to specific sections thereof, stating in concise language how, when and where the alleged violation occurred. The factual allegations shall be set forth in numbered paragraphs, each paragraph containing a single factual allegation.

5. Referral of Grievance

Upon receipt of a grievance, the President shall refer it to the Executive Board or, in the case of more generalized grievances, to the Board of Directors. In the case of a grievance referred to the Vice-President and Corporate Secretary, the Vice-President and Corporate Secretary shall try to resolve the grievance herself/himself, through informal means.

6. Hearing

If the grievance is referred to the Board of Directors, or if the member filing a grievance is not satisfied with the resolution of the matter by informal methods, the member shall be entitled to be heard before the Board of Directors at its next scheduled meeting. The Board's determination of the matter shall be final.

7. Hearing Procedures

The President will establish a reasonable time and place for the conduct of the Hearing. For Hearings conducted by electronic mail, the President will establish time deadlines for submission of evidence and arguments to the Board and the rendering of a decision by the Board. At the Hearing, the President will establish a reasonable time period for the Member to present evidence and arguments. The President or his/her designee will present arguments and evidence on behalf of CGGBC. In any event, the Member shall present evidence and arguments first. At the close of the presentation of evidence and arguments by the Member, the Board may vote to determine if the grievance has merit. If the Board votes by a simple majority that the grievance is without merit, the Board may render its decision and the President, or his/her designee, need not present any counterevidence and arguments. Unless otherwise provided by the President or herein, the Board will render a decision within 72 hours of the completion of the presentation of all the evidence and arguments.

ARTICLE XIV

INDEMNIFICATION

1. Right to Indemnification

As used herein, the word "Action" shall mean any action, suit or proceeding, administrative, investigative or other, (i) to which such person is a party (other than an action by CGGBC) or (ii) in connection with which such person is not a party but is a witness, subject to investigation or otherwise involved, in either case by reason of such person being or having been a Director or officer of CGGBC. Unless in a case indemnification would jeopardize CGGBC's tax exempt status under Section 501(a) of the Code or result in CGGBC's failure to be described in Section 501(c)(3) of the Code, and except as prohibited by law, each Director of CGGBC shall be entitled as of right to be indemnified by CGGBC against expenses and any liability paid or incurred by such person (i) in the defense of any Action to which such person is a party or (ii) in connection with any other Action. A general member who is not a Director of CGGBC may be similarly indemnified in respect of service to CGGBC to the extent the Board at any time designates such general member as entitled to the benefits of this Section. As used in this Section, "indemnitee" shall include each Director of CGGBC and each other

person designated by the Board as entitled to the benefits of this Section; "liability" shall include amounts of judgments, excise taxes, fines, penalties and amounts paid in settlement; and "expenses" shall include fees and expenses of counsel incurred. by the indemnitee only (i) if CGGBC has not at its expense assumed the defense of the Action on behalf of the indemnitee with reputable and experienced counsel selected by CGGBC, or (ii) if it shall have been determined pursuant to Section (c) hereof that the indemnitee was entitled to indemnification for expenses in respect of an action brought under that Section.

2. Right to Advancement of Expenses

Unless in a case, advancement of expenses would jeopardize CGGBC 's tax exempt status under Section 501(a) of the Code or result in CGGBC 's failure to be described in Section 501(c)(3) of the Code, every indemnitee shall be entitled as of right to have his/her expenses in defending any Action paid in advance by CGGBC, as incurred, provided that CGGBC receives a written undertaking by or on behalf of the indemnitee to repay the amount advanced if it should ultimately be determined that the indemnitee is not entitled to be indemnified for such expenses.

3. Right of indemnitee to Initiate Action; Defenses

If a written claim under this Section is not paid in full by CGGBC within thirty (30) days after such claim has been received by CGGBC, the indemnitee may at any time thereafter initiate an action to recover the unpaid amount of the claim and, if successful in whole or in part, the indemnitee shall also be entitled to be paid the expense of prosecuting such action. The only defenses to an action to recover a claim for indemnification otherwise properly asserted under paragraph (a) shall be (i) that the indemnitee's conduct was such that under applicable law CGGBC is prohibited from indemnifying the indemnitee for the amount claimed, (ii) that indemnification would jeopardize CGGBC's tax exempt status under Section 501(a) of the Code or result in CGGBC 's failure to be described in Section 501(c)(3) of the Code, but the burden of proving any such defense shall be on CGGBC and (iii) the indemnitee failed to provide the undertaking required by paragraph (2) of this Article.

4. Non-Exclusivity; Nature and Extent of Rights

The rights to indemnification and advancement of expenses provided for in this Article shall (i) not be deemed exclusive of any other rights to which any indemnitee may be entitled, (ii) be deemed to create contractual rights in favor of each indemnitee who serves CGGBC at any time while this Section is in effect (and each such indemnitee shall be deemed to be so serving in reliance on the provisions of this Section), and (iii) continue as to each indemnitee who has ceased to have the status pursuant to which he was entitled or was designated as entitled to indemnification under this Section and shall inure to the benefit of the heirs and legal representatives of each indemnitee.