

BYLAWS
OF
BILLINGS CRISIS PREGNANCY CENTER, INC.
A Montana Public Benefit Corporation Without Members

SECTION 1
NAME CLASSIFICATION, REGISTERED OFFICE & AGENT

1.1 Name. The name of the corporation is **BILLINGS CRISIS PREGNANCY CENTER, INC.** the ("Corporation").

1.2 Classification. The Corporation is a Public Benefit Corporation without members within the meaning of MCA § 35-2-114(28) of the Montana Nonprofit Corporation Act (the "Act").

1.3 Registered Agent & Office. The registered office of the Corporation shall be the principal office of the Corporation unless the Corporation's board of directors (the "Board") selects a different registered office. The Corporation's "President/CEO" (defined below) shall serve as the Corporation's registered agent unless the Board selects a different registered agent.

SECTION 2
PURPOSES, POWERS & RESTRICTIONS

2.1 Purposes. The Corporation is organized exclusively for charitable, religious, educational, and scientific purposes, including, for such purposes, developing and providing medical services and programs to assist members of the community with the physical, spiritual, emotional, economic, and social concerns associated with pregnancy, sexually transmitted infections, sexual health, and women's health in general.

2.2 Powers. The Corporation has, and may exercise through the Board, those rights and powers set forth in Section 35-2-118 of the Act, but only to the extent that the possession or exercise of such powers would not prevent the Corporation from qualifying or maintaining its status as an organization exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986 as amended (the "Code"), or any future Federal tax code. The Corporation may not engage, other than as an insubstantial part of its activities, in activities that are not in furtherance of one or more of its exempt purposes.

2.3 Restricted Activities. Notwithstanding any other provision of these Bylaws, the Corporation shall not engage in any of the following restricted activities.

- (A) **General Restriction.** Notwithstanding any other provision of these Bylaws or the Corporation's Articles of Incorporation as the same may hereafter be amended or restated in whole or in part (the "Articles"), the Corporation shall not carry on any other activities not permitted to be carried on (i) by a corporation exempt from federal income tax under section 501(c)(3) of the Code, or the corresponding section of any future Federal tax code, (ii) by a corporation, contributions to which are deductible under section 170(c)(2) of the Code, or the corresponding section of any future Federal tax code, or (iii)

by a nonprofit corporation organized under the laws of the State of Montana pursuant to the Act.

- (B) **Private Benefit.** No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to, its directors, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Section 2.1 hereof.
- (C) **Political Activity.** No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation. The Corporation shall not participate or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office.

SECTION 3 BOARD OF DIRECTORS

3.1 Authority. The Corporation's powers shall be exercised by or under the authority of the Board, which shall have the authority to supervise, control, and direct the Corporation's affairs.

3.2 Number. The Board shall consist of not less than three (3) and not more than fifteen (15) directors, as shall be fixed from time to time by resolution of the Board. The Board shall have at least one (1) director who, at such time, serves as a pastor as his/her primary profession (the "Board Pastor"). The Board Pastor shall be vested with the same authority, and be subject to the same standards, as the other members of the Board **except that** the Board Pastor may serve for a term of only one (1) year at his/her discretion.

3.3 Qualifications; Attendance. Directors shall at all times (i) support the mission of the Corporation and execute whatever statement of faith or pledge as the Board may, from time to time, require as a demonstration of such support, and (ii) act in accordance with the Articles, these Bylaws, the policies and procedures of the Corporation (including without limitation the policies and procedures relating to confidentiality), and any other governing document of the Corporations (including without limitation the Corporation's Conflict of Interest and Whistleblower Policies). Except in the cases of emergency or other good cause, Directors shall attend all meetings of the Board. Two (2) or more unexcused absences from meetings of the Board constitutes cause for removal.

3.4 Election. The Board shall nominate persons who possess skills, talents, and backgrounds that will promote the Corporation's purposes to serve as directors. Nominees shall be elected by the affirmative majority vote of the Board. The Board generally will not vote to elect a nominee until after the nominee has attended at least two (2) meetings of the Board. The names of the directors are set forth on the attached **Exhibit A**, which shall be updated to reflect any changes in the composition of the Board.

3.5 Term. Each director, except the Board Pastor if he/she chooses to serve a shorter term, shall serve for a term of three (3) years. A director whose term has expired shall continue to serve until such director's successor has been duly elected. Directors are not limited in the number of terms that they can serve.

3.6 Resignation. A director may resign at any time by delivering written notice to the Board. A director's resignation is effective upon delivery of the notice of resignation to the Secretary unless the Board authorizes otherwise.

3.7 Removal. A director may be removed, with or without cause, if a majority of the directors present at a duly constituted meeting at which a quorum is present votes to remove such director.

3.8 Vacancies. If there is a vacancy on the Board, then the remaining members of the Board shall appoint a member to fill such vacancy.

3.9 Annual Meeting. The Board shall have its annual meeting in February at a date, time, and location selected by the Board. At the annual meeting the Board shall (i) elect the officers of the Board, (ii) review these Bylaws, (iii) review and approve the policies and procedures of the Corporation, (iv) review the Corporation's Conflict of Interest Policy, Whistleblower Policy, and whatever other policies the Board deems necessary, and (v) consider all other business as may properly come before the Board.

3.10 Regular Meetings. The Board shall hold no less than three (3) regular meetings during the course of each calendar year at dates and times that the Board selects.

3.11 Special Meetings. The Board shall hold a special meeting upon either (i) the written request of three (3) or more directors or (ii) the request of the "Chair" (defined below).

3.12 Notice of Meetings. Notice must be in writing unless oral notice is reasonable under the circumstances. Notice may be given by telephone, facsimile, e-mail, or other form of wire or wireless communication. Regular meetings of the Board may be held without notice. Special meetings must be preceded by at least two (2) days notice to each director of the date, time, and place of the meeting. If the purpose of the meeting is to consider (i) an amendment to either the Articles or these Bylaws, (ii) a plan of merger, (iii) the sale, lease, exchange, or disposition of all, or substantially all, of the Corporation's assets, (iv) the dissolution of the Corporation, or (v) the removal of a director or officer of the Corporation, then the notice that precedes such special meeting shall (A) precede the meeting by at least seven (7) days and (B) contain a statement describing the purpose for the meeting. The Board may consider only the matters described in the meeting notice at a special meeting.

3.13 Effective Date of Notice. Notice of any meeting of the Board will be deemed effective at the earliest of (i) the date of receipt, (ii) five (5) days after its deposit in the United States mail, or (iii) on the date shown on the return receipt, if sent by certified mail, return receipt requested. The addresses for giving notice shall be maintained in the records of the Corporation. A director may change the director's address for notice by giving written notice of such change to the Corporation.

3.14 Waiver of Notice. Directors may waive notice of any meeting either by (i) a writing that the director signs and files with either (A) the minutes of the meeting for which notice is being waived, or (B) the Corporation's records, or (ii) attending the meeting for which notice is being waived unless the director, upon arriving at such meeting or before a vote on a matter not properly noticed, objects to the lack of notice and neither votes for, nor assents to, that action.

3.15 Quorum. A quorum of the Board consists of a majority of the duly elected directors in office immediately before the meeting begins.

3.16 Manner of Acting. If a quorum is present at a meeting of the Board, then the affirmative majority vote of the directors attending such meeting shall constitute the act of the Board. The Board may not take any action unless a quorum of the Board is present. Each director has one (1) vote.

3.17 Presumption of Assent. A director who is present at a meeting of the Board at which the Board takes any action shall be presumed to have assented to such action unless the director's (i) dissent is entered in the minutes of the meeting, (ii) written dissent to such action is filed with the person acting as the secretary of the meeting before the meeting adjourns, or (iii) written dissent is forwarded to the Corporation by registered or certified mail immediately following the adjournment of the meeting. A director who voted in favor of such action shall not have the right of dissent with respect to such action.

3.18 Participation in Meeting by Conference Telephone. The Board may permit any or all directors to participate in a regular or special meeting by, or conduct the meeting through, the use of any means of communication by which all directors participating may simultaneously hear each other during the meeting. A director participating in a meeting in this manner is considered present at such meeting. The Chair may establish reasonable rules for the conduct of the meeting in which any director participates in this manner.

3.19 Compensation. No director shall receive any compensation from the Corporation in respect of services rendered as a director. The Corporation may, however, reimburse directors for any reasonable expenses that they may incur in the execution of their official duties, including reasonable travel expenses. Nothing contained herein shall be construed to preclude any director from serving the Corporation in any other capacity and receiving reasonable compensation for services rendered to the Corporation that are reasonable and necessary to carry out one (1) or more of the Corporation's purposes.

3.20 Limitation of Directors' Liability. A director of the Corporation is not liable to the Corporation for monetary damages for breach of a director's duties to the Corporation. The foregoing limitation of liability neither eliminates nor limits a director's liability for (i) a breach of the director's duty of loyalty to the Corporation, (ii) acts or omissions that are (A) not in good faith, (B) involve intentional misconduct, or (C) represent a knowing violation of law, (iii) a transaction from which the director derived an improper personal economic benefit, (iv) conflict of interest transactions within the meaning of Section 35-2-418 of the Act, that have not been approved in accordance with that Section of the Act, (v) liability for any loan to, or guarantee that the Corporation may make for a director, or (vi) liability for unlawful distributions under Section 35-2-436 of the Act.

SECTION 4 COMMITTEES OF THE BOARD

4.1 Committees. The Board may create one (1) or more committees and appoint persons to serve on such committees. Each committee shall have at least two (2) directors as members. The President/CEO shall be an ex officio non-voting member of each committee.

4.2 Executive Committee. The Corporation shall have an Executive Committee, which shall be comprised of the Chair, Vice Chair, Secretary, and Treasurer. The Executive

Committee may take action on behalf of the Corporation in the case of emergency or when it is otherwise unreasonable or impractical to convene a full meeting of the Board. The actions of the Executive Committee taken in such emergency shall bind the Corporation, and shall be deemed to be the acts of the Corporation that do not require ratification from the Board to be considered valid. Non-emergency actions taken by the Executive Committee shall be ratified by the Board at its next scheduled meeting.

4.3 Restrictions. Committees shall exercise only such powers as the Board may designate. Regardless of any grant of authority, Committees may not **(i)** authorize distributions, **(ii)** approve or recommend to the Board dissolution, merger, or the sale, pledge or transfer of all, or substantially all of the Corporation's assets, **(iii)** appoint or remove directors or fill vacancies on the Board or on any of its committees, or **(iv)** adopt, amend, or repeal the Corporation's Articles or these Bylaws.

4.4 Committee Meetings. Sections 3.12 through 3.18 of these Bylaws apply to committees and their members. The committees shall keep minutes of their meetings and report them to the Board.

SECTION 5 OFFICERS

5.1 Officers of the Board. The Corporation shall have a Chair, Vice Chair, Secretary, a Treasurer and such other officers as the Board may hereafter appoint. A person may simultaneously hold more than one (1) office in the Corporation.

5.2 Chair. Subject to the control of the Board, the Chair shall be the principal officer of the Board and shall generally supervise and control the conduct of the Board. The Chair presides at all meetings of the Board. The Chair may sign any deed, mortgage, bond, contract or other instrument on the Corporation's behalf unless the Board has expressly granted such authority to another officer or agent of the Corporation. The Chair shall perform all duties and possess all powers normally and reasonably incident to the office of Chair, in addition to such duties and powers as the Board may from time to time prescribe.

5.3 Vice Chair. The Vice Chair shall perform the Chair's duties in the Chair's absence, or in the event of the Chair's death, inability, or refusal to act. The Vice Chair shall perform all other duties as either the Board or the Chair may from time to time prescribe.

5.4 Secretary. The Secretary shall **(i)** prepare or cause to be prepared the minutes of all meetings of the Board and officers, **(ii)** authenticate the Corporation's records, and **(iii)** perform all other duties as either the Board or the Chair may from time to time prescribe.

5.5 Treasurer. The Treasurer shall serve as the Corporation's chief financial officer. The Treasurer shall **(i)** have charge and custody of, and be responsible for, all of the Corporation's funds, securities, and other assets, **(ii)** receive and give receipts for monies due and payable to the Corporation from all sources, **(iii)** deposit all monies that the Corporation receives in the name of the Corporation in banks, trust companies, or other depositories that the Board shall select, **(iv)** oversee and review the Corporation's audit and the Corporation's tax filings (including without limitation the Corporation's Form 990) and **(v)** generally perform all of the duties normally and reasonably incident to the office of Treasurer and review and oversee the Corporation's finances in addition to such duties as either the Board

or the Chair may from time to time prescribe. Any of the duties set forth above may be delegated by the Treasurer to members of the Corporation's staff.

5.6 President/CEO. The Corporation shall have a President/CEO, who shall (i) be the chief executive officer of the Corporation and (ii) be responsible to carry out the decisions of the Board. The duties and responsibilities of the President/CEO shall be stated in the job description for that position as determined by the Board. The Chair and the Vice Chair shall conduct an annual performance review of the President/CEO.

5.7 Appointment. The Board shall appoint the officers of the Corporation. The officers of the Corporation and the offices that each of them holds are set forth on the attached **Exhibit A**, which shall be updated to reflect any change(s) in the officer positions.

5.8 Term. Officers shall serve for a term of one (1) year. An officer whose term has expired shall continue to serve until such officer's successor has been duly elected. Officers are not limited in the number of terms that they can serve.

5.9 Resignation. An officer may resign at any time by delivering written notice to the Board. An officer's resignation is effective upon delivery of the notice of resignation to the Secretary unless the Board authorizes otherwise.

5.10 Removal. Except as otherwise provided in an employment contract, if any, an officer may be removed, with or without cause, if a majority of the directors present at a duly constituted meeting of the Board at which a quorum is present votes to remove such officer.

5.11 Vacancies. The Board shall promptly fill any vacant office at either a regular meeting of the Board, or a special meeting that is called for that purpose.

5.12 Compensation. Officers may receive a reasonable salary or compensation for services rendered to the Corporation that are reasonable and necessary to carry out one (1) or more of the Corporation's tax-exempt purposes.

SECTION 6 CONTRACTS, LOANS, CHECKS & DEPOSITS

6.1 Contracts. The Board may authorize any officer, agent, or group of either of the preceding to enter into any contract or deliver any instruments in the name and on behalf of the Corporation. Such authorization may be general or confined to specific instruments.

6.2 Loans. The Corporation shall not lend money to, or guarantee an obligation of, a director or officer of the Corporation. The Corporation shall not allow anyone to contract for indebtedness on the Corporation's behalf unless the Board authorizes such action by written resolution, which shall be filed with the Corporation's records. Such authorization may be general or confined to specific instruments.

6.3 Checks. All checks, drafts, or orders for the payment of money on behalf of the Corporation shall be signed by such officer, agent, or group of either of the preceding as the Board shall from time to time determine by resolution. If the Board fails to determine which officer or agent shall have such authority, then the Treasurer shall sign such instruments, which either the President/CEO or Secretary must countersign.

6.4 Deposits. All monies, funds, and other financial instruments of the Corporation shall be deposited into accounts in the name of the Corporation as the Board shall by written resolution select.

SECTION 7 INDEMNIFICATION & ADVANCE FOR EXPENSES

7.1 Mandatory Indemnification. The Corporation shall indemnify a director or former director who was wholly successful, on the merits or otherwise, in the defense of any proceeding to which such person was a party because the person is or was a director against the reasonable expenses that the director incurred in connection with such proceedings.

7.2 Permissible Indemnification. The Corporation shall indemnify a director or former director who is made a party to a proceeding because of that person's status as a director or former director against liability incurred in such proceeding if the determination to indemnify such director complies with Section 35-2-447 of the Act.

7.3 Advances for Expenses. The Corporation may pay for or reimburse the reasonable expense that a director may incur in a proceeding prior to the final resolution of such proceeding if the following requirements have been satisfied: **(i)** the director provides to the Corporation a written affirmation of the director's good faith belief that the director has met the standard for indemnification under Section 35-2-447 of the Act, **(ii)** the director provides to the Corporation a written undertaking, executed either personally or by one authorized to execute the undertaking on behalf of the director, pursuant to which the director promises to repay the advance if it is ultimately determined that the director did not meet the standard of Section 35-2-447 of the Act, and **(iii)** the Board determines, based on the then available information, that paying the advance would not violate the Act.

7.4 Indemnification for Officers. Officers are entitled to the mandatory indemnification set forth in Section 7.1 to the same extent as a director. The Corporation may also indemnify and or advance expenses to officers to the same extent as a director as long as such actions comply with the Act.

7.5 Insurance. The Corporation may purchase and maintain insurance on behalf of a director, officer, employee, contractor or agent **(i)** against liability asserted against or incurred by such person acting in such capacity, or **(ii)** arising from that person's status as a director, officer, employee, contractor or agent of the Corporation, whether or not the Corporation would have the power to indemnify the person against such liability under the Act.

SECTION 8 CONFLICT OF INTEREST

8.1 Conflict of Interest Transaction Defined. A "conflict of interest transaction" is a transaction with the Corporation in which a director, or a party related to a director, has either a direct or indirect interest. A party is related to a director if the party is **(i)** the director's spouse, **(ii)** a child, grandchild, sibling, parent or spouse of a child, grandchild, sibling or parent of the director, **(iii)** an individual who resides with the director, **(iv)** a trust or estate of which an individual described in Section 8.1(i-iii) inclusive, is a substantial beneficiary, or **(v)** a trust, estate, incompetent person, conservatee, or minor for whom the director is a fiduciary.

8.2 Duty to Disclose. Directors shall disclose to the Board any conflict of interest that they may have in a transaction with the Corporation. The interested director shall abstain from voting on the transaction, provided, however, that the director's presence may be counted in determining whether there is a quorum present at such meeting. The director's disclosure must be in writing and must provide all facts known to the director about the subject matter of the transaction that an ordinarily prudent person would reasonably believe to be material to a judgment about whether or not to proceed with the transaction.

8.3 Approval of Conflict of Interest Transactions. A conflict of interest transaction is not voidable and may not serve as the basis for imposing liability on a director if either (i) the director provides the disclosure that Section 8.2 hereof requires and the other directors reasonably and in good faith believe that the transaction is fair to the Corporation, or (ii) before the transaction is consummated, the Corporation obtains the approval of either the Attorney General for the State of Montana (the "Attorney General") or a district court of the State of Montana in any action in which the Attorney General is joined as a party.

8.4 Conflict of Interest Policy. If the Corporation has a Conflict of Interest Policy, then the terms and conditions of such policy shall control to the extent this Section 8 conflicts with the policy.

SECTION 9 DISSOLUTION

9.1 Dissolution. The Board may dissolve the Corporation by affirmative two-thirds (2/3) majority vote.

9.2 Plan of Dissolution. If the Board votes to dissolve the Corporation, then the Board shall adopt a plan of dissolution indicating to whom the Corporation's assets will be distributed after all of the Corporation's debts, liabilities and other obligations have been satisfied.

9.3 Notice to Montana Attorney General. If the Board votes to dissolve the Corporation, then the Corporation shall give to the Attorney General written notice of the Corporation's intent to dissolve at or before the time the Corporation delivers articles of dissolution to the Secretary of State for the State of Montana.

9.4 Distribution of Assets on Dissolution. Upon its dissolution, the Board shall, after paying or making provision for the payment of all of the Corporation's debts, liabilities and other obligations, distribute the Corporation's assets in such manner or to such organization(s) that are organized and operated exclusively for charitable, religious, scientific, educational or such other exempt purposes as shall at the time qualify as an exempt organization exempt from Federal income tax under section 501(c)(3) of the Code, or the corresponding section of any future Federal tax code. The Board shall distribute any of the Corporation's assets that are not so distributed to the federal government, or to a state or local government, for a public purpose. If the Board fails to distribute the Corporation's assets as provided above, then such assets shall be disposed of by a court of competent jurisdiction of the county in which the principal office of the Corporation is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

SECTION 10

MISCELLANEOUS

10.1 Books and Records. The Corporation shall keep correct and complete books and records of accounts including, but not limited to (i) minutes of all meetings of the Board and committees, (ii) records of all actions that the Board takes without a meeting, (iii) a record of all actions that committees of the Board, if any, take, (iv) the Articles and all amendments thereto, (v) these Bylaws and all amendments hereto, (vi) a list of the names and addresses of the Corporation's current directors and officers, (vii) financial statements showing the Corporation's assets and liabilities for the most recent three (3) years, and (viii) the Corporation's most recent annual report.

10.2 Fiscal Year. The Corporation's fiscal year shall begin on January 1 and end on December 31 each year, unless the Board establishes a different fiscal year.

10.3 Amending Bylaws. These Bylaws may be altered, amended, supplemented or repealed by a two-thirds (2/3) majority affirmative vote of the Board. No such alteration, amendment, repeal or adoption shall in any way (i) conflict with the Corporation's purposes as stated in its Articles, or (ii) otherwise cause the Corporation to lose its qualification as an organization described in Section 501(c)(3) of the Code.