

THE BYLAWS
OF
BEACH TERRACE PARK INC. A NEW JERSEY NONPROFIT CORPORATION
INCORPORATED UNDER THE LAWS
OF THE
STATE OF NEW JERSEY

Adopted: , 2022

223461655v1

UNANIMOUS WRITTEN CONSENT OF
THE TRUSTEES IN LIEU OF
ORGANIZATIONAL MEETING

The undersigned, being all of the Trustees of Beach Terrace Park, Inc. a New Jersey Nonprofit Corporation (the "Corporation"), in accordance with Section 15A:6-7(c) of the New Jersey Nonprofit Corporation Act, do hereby consent to the following actions by separate written consents appended hereto, which consents together shall constitute a duly called meeting of the Trustees of the Corporation and shall have the same effect as action duly taken by said Trustees at such meeting:

RESOLVED, that the form, terms and provisions of the Certificate of Incorporation, which shall be filed with the Department of the Treasury of the State of New Jersey in the forms attached hereto as Exhibit A, be and they hereby are in all respects approved, and that this Corporation proceed to do business thereunder.

RESOLVED, that the Bylaws of the Corporation, a copy of which is attached hereto as Exhibit B, are hereby adopted and acknowledged by the Trustees as the governing Bylaws of the Corporation.

RESOLVED, that the Conflict of Interest Policy attached hereto as Exhibit C be, and it hereby is, adopted for the Corporation.

RESOLVED, that the Corporation is being organized and will be operated exclusively for charitable purposes as defined under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended ("Code"), particularly to raise funds for the construction and maintenance of a public park for recreational use, including a walking trail, on a strip of vacant land that is located parallel to the beach and Beach Terrace and between 16th and 17th Avenues (such location to be called "Beach Terrace Park") in the Borough of Longport, New Jersey ("Borough"), which shall be open, accessible, and available to the general public. The Corporation shall be organized and operated exclusively as a Type III functionally integrated supporting organization under Section 509(a)(3) of the Code for the Borough, which is a government entity under Section 170(c)(1)

RESOLVED, that the following Trustees be, and they hereby are, elected to serve in the officer positions set forth opposite their name and shall hold office for the term of one (1) year and until their successors are elected and shall qualify:

Name: _____ Office:

President

Vice President

Secretary

Treasurer

RESOLVED, that the Secretary of the Corporation be and hereby is authorized and directed to procure the proper corporate books.

RESOLVED, that the Treasurer of the Corporation be and hereby is authorized to pay all charges and expenses relating to or arising out of the organization of the Corporation and to reimburse persons who have made any disbursements therefor.

RESOLVED, that the Treasurer of the Corporation be and hereby is authorized to open a bank account in the name of and on behalf of the Corporation.

RESOLVED, that all officers or authorized agents as designated by the Board of Trustees of the Corporation be empowered, directed and authorized to take any and all actions and to deliver such documents, instruments, affidavits and agreements, as, in the reasonable judgment of such officers are necessary or appropriate to accomplish the foregoing resolutions.

RESOLVED, that any acts of the officers of the Corporation and of any person designated and authorized to act by an officer of the Corporation, which acts would have been authorized by the foregoing resolutions, except that such acts were taken prior to the adoption of such resolutions are hereby severally authorized, ratified, confirmed, and adopted as acts in the name of and on behalf of the Corporation.

RESOLVED, that the Corporation be and hereby is authorized to pay all charges and expenses relating to or arising out of the organization of this Corporation and to reimburse the persons who have made any disbursements therefor.

RESOLVED, that this Consent may be executed in counterparts, each of which shall be deemed to be an original and all of which, taken together, shall constitute one and the same instrument.

[SIGNATURE PAGES TO FOLLOW]

The undersigned Trustee has read and agrees with the foregoing resolutions.

Dated:, 2022

[TBD], Trustee

The undersigned Trustee has read and agrees with the foregoing resolutions.

Dated:, 2022

[TBD], Trustee

The undersigned Trustee has read and agrees with the foregoing resolutions.

Dated: _____, 2022

[TBD], Trustee

The undersigned Trustee has read and agrees with the foregoing resolutions.

Dated:, 2022

[TBD], Trustee

EXHIBIT A

CERTIFICATE OF INCORPORATION

OF

BEACH TERRACE PARK, mc.

A NEW JERSEY NONPROFIT CORPORATION



0101061020

THIS IS TO CERTIFY that the undersigned incorporator hereby constitutes and forms a non-profit corporation under and by virtue of the provisions of the New Jersey Nonprofit Corporation Act, N.J.S.A. 15A:1-1 g! seq. (the "Act"):

1. The name of the corporation shall be Beach Terrace Park, Inc. (the "Corporation").

2. The Corporation is being organized and will be operated exclusively for charitable purposes as defined under Section 501 (c)(3) of the Internal Revenue Code of 1986, as amended ("Code"), particularly to raise funds for the construction and maintenance of a public park for recreational use, including a walking trail, on a strip of vacant land that is located parallel to the beach and Beach Terrace and between 16th and 17th Avenues (such location to be called "Beach Terrace Park") in the Borough of Longport, New Jersey ("Borough"), which shall be open, accessible, and available to the general public. The Corporation shall be organized and operated exclusively as a Type functionally integrated supporting organization under Section 509(a)(3) of the Code for the Borough, which is a government entity under Section 170(c)(1)

3. The address of the Corporation's initial registered office, and the name of the Corporation's initial registered agent at that address, is as follows:

<u>NAMIE</u>	<u>ADDRESS</u>
Corporation Service Company	Princeton South Corporate Ctr., Suite 160, 100 Charles Ewing Blvd, Ewing, NJ 08628

4. The Corporation shall have no members but shall be managed by a Board of Trustees, whose terms and duties shall be set forth in Bylaws adopted by and for the Corporation. The number of Trustees constituting the first Board of Trustees shall not be less than five (5) in number, one of whom shall be a representative of the Borough of Longport, New Jersey, and the names and addresses of such Trustees are listed on Exhibit A hereto.

5. The method of selecting Trustees shall be as set forth in the Bylaws.

6. The name and address of the incorporator is:

B. Jason Zoranski,
Esq.

ADDRESS
1025 Laurel Oak Road
Voorhees, New Jersey 08043

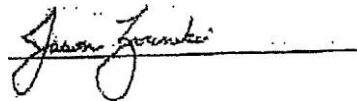
7. The Corporation does not contemplate pecuniary gain or profit, incidental or otherwise. No part of the net earnings of the Corporation shall inure to the benefit of or be distributable to its trustees, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article 2 hereof. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements related to) any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other portion of this Certificate, the Corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from Federal income tax under 501(c)(3) of the Code or (b) by a corporation, contributions to which are deductible under 170 of the Code.

8. Upon dissolution of the Corporation, the Board of Trustees shall, after paying or making provision for the payment of all of the liabilities of the Corporation, transfer all of the assets of the Corporation to the Borough, a governmental entity under Section 170(c)(1) of the Code, for the purely public purposes of making Beach Terrace Park accessible to the general public. Under no circumstances, shall any assets be distributed to trustees, officers or employees of the Corporation. Any such assets not so disposed of shall be disposed of by the applicable court of competent jurisdiction of the country in which the principal office of the Corporation is then located, exclusively for the same or similar purposes as the Corporation shall have, and to one or more organizations qualifying as tax exempt under Section 501(c)(3) of the Code, as said court shall determine.

9. No trustee or officer shall be personally liable to the Corporation for damages for breach of any duty owed to the Corporation, except that this provision shall not relieve a trustee or officer from liability for any breach of duty based upon an act or omission (1) in breach of such person's duty of loyalty to the Corporation, (2) not in good faith or involving a knowing violation of law or (3) resulting in receipt by such person of an improper personal benefit. The Corporation shall indemnify trustees and officers to the full extent permitted by Section 15A:3-4 of the Act, and to the full extent otherwise permitted by law.

10. The Corporation shall have a perpetual term of existence and shall not have the authority to issue stock

IN WITNESS WHEREOF, the undersigned has executed and sealed this Certificate of Incorporation as of the 16 day of May, 2022.



Incorporator

223461657v2

EXHIBIT B

THE BYLAWS
OF
BEACH TERRACE PARK, mc.
INCORPORATED UNDER LAWS
OF THE STATE
OF NEW JERSEY

Incorporated April, 2022

ARTICLE 1

NAME, OFFICE AND PURPOSE

1.1. Name. The name of the Corporation shall be BEACH TERRACE PARK, mc. (the "Corporation").

1.2. Registered Agent and Office. The initial registered agent and office of the Corporation is set forth in the Certificate of Incorporation. Thereafter, the Board may by resolution change such registered agent and registered office of the Corporation.

1.3. Purpose. The Corporation is being organized and will be operated exclusively for charitable purposes as defined under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended ("Code"), particularly to raise funds for the construction and maintenance of a public park for recreational use, including a walking trail, on a strip of vacant land that is located parallel to the beach and Beach Terrace and between 16th and 1st Avenues (such location to be called "Beach Terrace Park") in the Borough of Longport, New Jersey ("Borough"), which shall be open, accessible, and available to the general public. The Corporation shall be organized and operated exclusively as a Type III functionally integrated supporting organization under Section 509(a)(3) of the Code for the Borough, which is a government entity under Section 170(c)(1)

1.4. Incorporation. The Corporation has been incorporated as a non-stock, membership nonprofit corporation under the New Jersey Nonprofit Corporation Act, N.J.S.A. {15A: 1-1 et seq. (the "Act").

ARTICLE 11

MEMBERSHIP

2.1 No Members. The Corporation shall not have any members with voting rights under the Act.

ARTICLE 111

BOARD OF TRUSTEES

3.1. Number. The direction, management, business and affairs of the Corporation shall be vested in and managed by a Board of Trustees which shall consist of not less than five (5) natural persons over the age of eighteen years, which number of Trustees may from time to time be adjusted by the Board, but never less than the minimum number stated herein.

3.2. Representation of the Borough of Longport, New Jersey. At least one member of the Board of Trustees shall be a representative of the Borough (the "Representative Trustee"). The Representative Trustee shall be appointed by the Borough and shall serve until such Representative Trustee's death, resignation or removal by the Borough.

3.3. Election of Trustees. The Trustees of the Corporation, apart from the Representative Trustee, shall be elected by the Trustees of the Corporation at their Annual

Meeting. All Trustees, apart from the Representative Trustee, shall serve for a term of one (1) year or until their earlier death, resignation, removal or incapacity. Trustees may serve successive terms.

3.4. Non-Representative Trustee Vacancies. Any vacancy occurring in a Trustee position, apart from the Representative Trustee position, arising from any cause (including a vacancy caused by an increase in the number of Trustees), shall be filled by an affirmative vote of the majority of the Trustees of the Corporation. Any such replacement Trustee shall complete the term of the Trustee being replaced.

3.5. Representative Trustee Vacancies. Any vacancy occurring in a Representative Trustee position arising from any cause (including a vacancy caused by an increase in the number of Representative Trustees), shall be filled by appointment by the Borough. Any such replacement shall complete the term of the Representative Trustee being replaced.

3.6. Powers. The business of the Corporation shall be managed by its Board of Trustees which, except as limited herein, may exercise all such powers of the Corporation and do all such lawful acts and things as are not by law prohibited.

3.7. Annual Meeting. The Annual Meeting of the Board shall be held in the month of June. The purpose of the Annual Meeting shall be to elect officers of the Corporation and to consider such other matters as may properly come before the meeting.

3.8. Regular Meetings. Regular meetings of the Board shall be held in at such times and on such dates as shall be determined by the Board of Trustees.

3.9. Special Meetings. Special meetings of the Board of Trustees may be called by the President or may be called at the written request of any Trustee.

3.10. Location. Meetings of the Board shall be held at the principal office of the Corporation, or in such other location, within or without the State of New Jersey, as shall be fixed by the Board of Trustees.

3.11. Notice of Meetings. Written notice of the time and place of a regular or special meeting shall be given by the President or the presiding officer to each Trustee at least five (5) days prior to the day named for such meeting. Such notice shall be directed to the Trustee at his residence or usual place of business. Except as provided by law or otherwise in these Bylaws, a Notice of a Meeting of the Board need not state the purpose thereof. No notice of the time, place or purpose of any meeting of the Board, or any publication thereof, whether prescribed by law, by the Certificate of Incorporation or by these Bylaws, need be given to any person who attends such meeting, or who, in writing, executed either before or after the holding thereof, a waiver of such notice, and such attendance or waiver shall be deemed equivalent to notice.

3.12. Quorum. Business cannot be conducted at a meeting of the Board of Trustees unless a quorum is present. The presence of a simple majority of the members of the entire Board of Trustees shall constitute a quorum for the transaction of business. The acts of a majority of the Trustees present and entitled to vote at a meeting at which a quorum is present shall be the acts of the Board of Trustees. Each Trustee, including the Representative Trustee, shall have one vote.

3.13. Action by Written Consent. Unless otherwise restricted by the Certificate of

Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Trustees or of any committee thereof may be taken without a meeting if all members of the Board or committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board or committee.

3.14. Removal. Any Trustee, apart from the Representative Trustee, may be removed without cause at any time, by an affirmative vote of a majority of the Trustees at a meeting where a quorum exists. The Representative Trustee may only be removed by the Borough.

3.15. Annual Report to the Borough of Longport, New Jersey. The Board shall provide an annual report to the Borough within ninety (90) days of the Corporation's fiscal year end. Such annual report shall provide an overview of the Corporation's finances, impact on the community, major contributions, and any other information the Board determines appropriate.

ARTICLE IV

OFFICERS

4.1. Officers. At its regular annual meeting the Board shall elect, a President, a Vice President, a Secretary, a Treasurer, and such other officers as may be required. All of the officers shall be elected by the Board at its annual meeting, if any of the officers' terms expire at such particular meeting or, in the event of a vacancy between annual meetings, at any other meeting. All officers shall hold office for a term of one (1) year and until their successors have been elected. Any two offices may be held by the same person. The Board may also choose such employees and agents as it shall deem necessary, who shall hold their offices for such terms and shall have such authority and perform such duties as from time to time shall be prescribed by the Board.

4.2. Compensation. Unless otherwise provided by the Board of Trustees, the officers shall serve without compensation.

4.3. Removal. Subject to any contract rights, any officer may be removed by the Board without cause by resolution accepted by a majority of the Board.

4.4. Vacancies. A vacancy in an officer position may be filled in the same manner in which the Trustee position was filled by election under Section 4.1. Any person elected to fill a vacancy shall do so for the unexpired balance of the term of the vacant officer position.

4.5. President. The President shall preside at all meetings of the Board. The President shall see that all orders and resolutions of the Board are carried into effect; subject, however, to the right of the Trustees to delegate any specific powers to any other officer or officers of the Corporation. The President shall see to it that the operations of the Corporation accord with its Certificate of Incorporation and these Bylaws and such directions as the Board, from time to

time, may issue. The President shall perform such other duties as may be prescribed by the Board of Trustees. The President shall be, ex-officio, a member of all committees (if any), and shall have the general powers and duties of supervision. The President shall execute bonds, mortgages, and other contracts requiring a seal under the seal of the Corporation, with the approval of the Board of Trustees.

4.6. Vice President. In the absence of the President, the Vice President shall perform such of the duties and exercise such of the powers of the President as directed by him. In the case of incapacity of the President to perform his duties, the Vice President shall assume the duties and exercise the powers of the President. The Vice President shall possess such other powers and perform such other duties as may be prescribed by the Board of Trustees.

4.7. Secretary. The Secretary shall cause to be kept full minutes of all meetings of the Trustees; shall attend all sessions of the Board, shall act as clerk thereof, and record all votes and the minutes of all proceedings in a book to be kept for that purpose; and shall perform like duties for the committees when required. The Secretary shall give or cause to be given notices of all meetings of the Corporation, and shall perform such other duties as may be prescribed by the Board of Trustees.

4.7 Treasurer. The Treasurer shall also: (1) cause to be kept and maintained adequate and correct financial transactions of the Corporation; (2) cause to be deposited all monies and other valuables in the name of and to the credit of the Corporation, with such depositories as may be designated by the Board; (3) review and approve supporting evidence of the receipt and disbursement of funds; (4) cause to be rendered to the full Board an accounting of the financial condition of the Corporation; (5) assist the President in the formation and implementation of the budget; (6) cause financial and management reports to be prepared and circulated as the Board deems appropriate; (7) shall perform such other duties as may be prescribed by the Board of Trustees.

ARTICLE V

BOOKS AND ACCOUNTS

5.1. Books and Accounts. The Corporation shall keep books and records of accounts and minutes of the proceedings of the Board of Trustees and committees of the Board.

ARTICLE VI

CONFLICT OF INTEREST

6.1. Conflict of Interest. If a Trustee or officer has a financial interest conflicting with the interest of the Corporation in any matter (such as whether to enter into a contract with another organization with which such individual is associated), then the individual must bring the conflict to the attention of the other Trustees and officers and refrain from participating or voting in any decision with respect to the matter.

ARTICLE MI

INDEMNIFICATION

7.1. Indemnification. The Corporation shall indemnify, in the manner and to the full extent permitted by the Act, any Trustee or officer of the Corporation who was or is a party to, or is threatened to be made a party to, or who appears as a witness in, any "proceeding" (as such term is defined in Section 15A:3-4 of the Act), whether or not by or in the right of the Corporation, by reason of the fact that such person is or was a Trustee or officer of the Corporation. The Corporation

may, to the full extent permitted by law, purchase and maintain insurance on behalf of any such person against any liability which may be asserted against him. To the full extent permitted by law, the indemnification provided herein shall include "expenses" (as such term is defined in said Section 15A:3-4 of the Act), and, in the manner provided by law, any such expenses may be paid by the Corporation in advance of the final disposition of such proceeding. The indemnification provided herein shall not be deemed to limit the right of the Corporation to indemnify any other person for any liabilities or expenses, nor shall it be deemed exclusive of any other rights to which any person seeking indemnification from the Corporation may be entitled under any agreement, vote of Trustees or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office.

ARTICLE VIII

MISCELLANEOUS PROVISIONS

8.1. Execution of Instruments. All checks or demands for money and notes of the Corporation shall be signed by such officer or officers as the Board of Trustees may, from time to time, designate.

8.2. Fiscal Year. The fiscal year of the Corporation shall end on June 30th.

8.3. Corporate Seal. The Corporate Seal shall have inscribed thereon the name of the Corporation, the year of its creation and the words "Corporate Seal, New Jersey".

ARTICLE IX

AMENDMENTS AND INTERPRETATIONS

9.1. Amendments to Bylaws. The Trustees, by a majority vote at any duly constituted regular meeting or special meeting called for the purpose, may alter, amend, or repeal any Bylaw. No amendment or cancellation of any Bylaw relating to the Representative Trustee shall occur without the Representative Trustee's consent.

9.2. Amendments to Certificate of Incorporation. The Trustees, by a majority vote at any duly constituted regular meeting or special meeting called for the purpose, may amend the Certificate of Incorporation.

9.3. Interpretations. All questions of interpretation of these Bylaws shall be decided by majority vote of the Trustees at any duly constituted meeting.

THE BYLAWS
OF
BEACH TERRACE PARK INC. A NEW JERSEY NONPROFIT CORPORATION
INCORPORATED UNDER THE LAWS
OF THE
STATE OF NEW JERSEY

Adopted: _____, 2022

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EXHIBIT C

CONFLICT OF INTEREST POLICY

ARTICLE 1

Purpose

The purpose of the conflict of interest policy is to protect this tax-exempt organization's (Organization) interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or trustee of the Organization or might result in a position 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 organizations.

ARTICLE 11

Definitions

1. Interested Person

Any trustee, principal officer, 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.

2. 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 the Organization has a transaction or arrangement.

b. A compensation arrangement with the Organization or with any entity or individual with which the Organization has a transaction or arrangement, or

c. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Organization 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. Under Article III, Section 2, 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.

ARTICLE 111
Procedures

1. 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 trustees and members of committees with governing board delegated powers considering the proposed transaction or arrangement.

2. 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.

3. Procedures for 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 the Organization 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 trustees whether the transaction or arrangement is in the Organization'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 into the transaction or arrangement.

4. Violations of the Conflicts of Interest Policy

a. If the governing board or committee has reasonable cause to believe a trustee or officer has failed to disclose actual or possible conflicts of interest, it shall inform such trustee or officer of the basis for such belief and afford the person an opportunity to explain the alleged failure to disclose.

b. If, after hearing the response of the trustee or officer and after making further investigation as warranted by the circumstances, the governing board or committee determines such person has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

ARTICLE IV
Records of Proceedings

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

a. 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 present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.

b. 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 V
Compensation

a. A voting member of the governing board who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.

b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization for services is precluded from voting on matters pertaining to that member's compensation.

c. No voting member of the governing board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Organization, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

ARTICLE VI
Annual Statements

Each trustee, 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 the Organization 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 MI
Periodic Reviews

To ensure the Organization 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 organizations conform to the Organization'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 vm
Use of Outside Experts

When conducting the periodic reviews as provided for in Article VII, the Organization 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.

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