

FIFTH AMENDED AND RESTATED BYLAWS
OF
GREATER YUMA PORT AUTHORITY, INC.

AN ARIZONA NONPROFIT CORPORATION

KNOW ALL MEN BY THESE PRESENTS that the GREATER YUMA PORT AUTHORITY, INC., an Arizona nonprofit corporation (“Corporation” or “Port Authority”), being duly authorized to act pursuant to the terms of the Bylaws adopted on August 3, 2000, and by virtue of the approvals previously obtained by the Board of Directors and the governing bodies of the member entities, to amend such Bylaws, does hereby make, execute, and enter into this FIFTH AMENDED AND RESTATED BYLAWS in order to amend, restate, supersede, and replace the Bylaws adopted on August 3, 2000, as previously amended and restated on May 17, 2007, and further amended and restated on August 9, 2012 and further amended and restated on June 25, 2015, and further amended and restated on February 17, 2017 and thereafter amended on March 29, 2018, to the extent of the amendments set forth herein. All remaining provisions of the original Bylaws, as previously amended and restated, including the signatures of the original member entities, are incorporated herein by this reference.

ARTICLE I
REFERENCES TO CERTAIN TERMS AND CONSTRUCTION

1.1 Certain References. Any reference herein made to law will be deemed to refer to the law of the State of Arizona, including any applicable provision of Title 10 of the Arizona Revised Statutes, or any successor statute, as from time to time amended and in effect. Any reference herein made to the Corporation’s Articles will be deemed to refer to its Articles of Incorporation and all amendments thereto as at any given time on file with the Arizona Corporation Commission. References to specific sections of law herein made shall be deemed to refer to such sections, or any comparable successor provisions, as from time to time amended and in effect.

1.2 Seniority. The law and the Articles (in that order of precedence) will in all respects be considered senior and superior to these Bylaws, with any inconsistency to be resolved in favor of the law and such Articles (in that order of precedence), and with these Bylaws to be deemed automatically amended from time to time to eliminate any such inconsistency which may then exist.

1.3 Computation of Time. The time during which an act is required to be done, including the time for the giving of any required notice herein, shall be computed by excluding the first day or hour, as the case may be, and including the last day or hour.

ARTICLE II
OFFICES

2.1 Principal Office. The principal office of the Corporation shall be located at any place either within the State of Arizona as designated in the Corporation’s most current Annual Report filed with the Arizona Corporation Commission or in any other document executed and delivered to the Arizona Corporation Commission for filing. If a principal office is not so designated, the principal office of the Corporation shall mean the known place of business of the Corporation. The Corporation may have such other offices, either within or without the State of Arizona, as the Board of Directors may designate or as the business of the Corporation may require from time to time.

2.2 Known Place of Business. A known place of business of the Corporation shall be located within the State of Arizona and may be, but need not be, the address of the statutory agent of the Corporation. The Corporation may change its known place of business from time to time in accordance with the relevant provisions of the Arizona Nonprofit Corporation Act.

ARTICLE III MEMBERS

3.1 Initial Members. The initial members of the Corporation shall be as follows:

Yuma County, Arizona
City of San Luis, Arizona
City of Somerton, Arizona
Cocopah Indian Tribe ¹

New Members. New Corporation Members may be added by a 3/4 vote of the current Board of Directors, provided that at least one Board member appointed by each Member approves the addition of a new Member. Any new Members must be federal, state or local governmental entities or Federally recognized Indian Tribes.

The cost of the Membership shall be as set forth in these bylaws, or as they may hereafter be amended. Such amount is due within 60 (sixty) days of the date of approval of the new Member, or as determined by the Board of Directors.

ARTICLE IV PORT AUTHORITY BOARD OF DIRECTORS

4.1 Purpose and Empowerment.

A. *Purpose and Empowerment.* In addition to the duties of the Board set forth herein, it shall be the primary duty of the Board to make all policy statements on behalf of the Corporation and to decide such policy issues as may come before the Board, as well as to supervise the direction and action of the Corporation and its Officers and employees given the approved and

¹ Current members as of the date of this Amendment are:

Yuma County, AZ
City of San Luis, AZ
Cocopah Indian Tribe
City of Yuma, AZ

accepted policies of record. The Board of Directors shall also review all action taken by any committees. The charitable and educational purposes for which this Corporation is organized include, but are not limited to, the following:

1. Lessen the burdens of government by engaging in charitable activities such as facilitating the constructing, operating and maintaining of an international port of entry along the Arizona – Mexico border in coordination with Federal agencies, providing improved employment opportunities for residents, and improving the flow of transportation in and around the area;
2. Promote further economic growth of the Yuma region in a manner consistent with its resources, and the needs of its citizens and the planning goals established by the Authority;
3. Ensure continued successful development of the International Ports of Entry and other principle features, and to undertake further planning and design as necessary to achieve these objectives;
4. Manage and operate Authority facilities, where appropriate;
5. Encourage intergovernmental and interagency cooperation in the achievement of these objectives;
6. Market the Yuma region and its resources as an outstanding location for international, national and regional businesses;
7. Create public/private partnerships to finance projects and initiatives of the Authority, and,
8. Seek funding from public (local, state and federal) agencies and private individuals, foundations and corporations.

4.2 Powers.

A. In order to pursue its mission, the Corporation is empowered to perform every act necessary and proper for the accomplishment of the objects and purposes enumerated or for the protection and benefit of this Corporation, including, but not limited to, the power to:

1. Acquire, encumber, and dispose of such real and personal property as is necessary to promote the enhancement of the economic growth and resources of the Yuma region;
2. Improve properties to which the Corporation holds title, and sell, lease, sub-lease, or otherwise dispose of real property;

3. Enter into contracts, leases, cooperative agreements, and other transactions with public agencies and private individuals and entities;
4. Receive funds from public agencies and private individuals and entities; receive gifts of property of all kinds, whether made by will, deed, or otherwise, and administer the same in carrying out the mission of this Corporation; collect fees and develop any other sources of income commensurate with the laws governing nonprofit entities;
5. Disperse funds to qualified public or private individuals and entities for the purposes of achieving the goals of the Authority (as specified in the Plan);
6. Hire staff and accept personnel from public agencies as required to fulfill its mandate and purposes;
7. Manage property and develop and operate educational, informational, and marketing programs, facilities and linkages;
8. Coordinate, review, and approve projects or programs either funded or implemented by the Authority; and provide educational and promotional services and materials.
9. Operate facilities developed or obtained by the Authority.

4.3 Limitations on Powers.

A. Notwithstanding any powers granted to this Authority by its charter, by-laws or by the laws of the State of Arizona, the following limitations of powers shall apply and be paramount:

1. No part of the net earnings of the Corporation shall inure to the benefit of any director or officer of the Corporation, or any private individual (except that a reasonable compensation may be paid for services rendered to or for the Corporation affecting its purpose, and except to the extent that benefit inures to persons in accordance with the carrying out of the Corporation's charitable purposes), and no director or officer of the Corporation, or any private individual shall be entitled to share in the distribution of any of the Corporation's assets on dissolution of the Corporation.
2. No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation.
3. The Corporation shall not participate in or intervene in (including the publication or distribution of statements) any political campaign on behalf of (or in opposition to) any candidate for public office.
4. Notwithstanding any other provisions of this certificate, the Corporation shall not conduct or carry on any activities not permitted to be conducted or

carried on by an organization exempt under Section 501(c)(3) of the Code or by an organization, contributions to which are deductible under Sections 170, 2055, 2106 and 2522 of the Code.

5. Upon dissolution of the Corporation, the Board of Directors of the Corporation shall, after paying or making provision for the payment of all of the liabilities of the Corporation, distribute all residual assets of the Corporation to the Members. Any assets not so disposed of shall be disposed of by a court of competent jurisdiction exclusively for charitable purposes, or to such organization or organizations organized and operated exclusively for such charitable or educational purposes, as that court shall determine.

4.4 Composition, Selection, and Qualifications of Directors.

A. Initial Directors.

The initial Board of Directors shall consist of directors selected to serve three or five year terms. Each Member shall select one director to serve a three year term and one director to serve a five year term. An initial director serving a three year term shall be considered to have served a full term for the purposes of this section.

B. Selection and Appointment.

A Member may appoint two (2) persons to serve on the Board of Directors, at the Member's discretion. At least one person appointed shall be an elected official or employee of the Member. The second person may serve in any capacity, whether within the Member's organization or outside it. (Added 3-29-2018)

It is strongly recommended the Members shall appoint qualified person(s) to the Board. Persons experienced in economic development, transportation, and international issues are desired.

C. Term of Office.

The term of office shall be five (5) years. In the event a Director fails to complete his/her five year term, a replacement will be selected by the appointing Member to serve the remaining portion of the term. There is no limit to the number of terms for which a Director may be appointed, as long as each member entity makes a timely appointment and the appointment meets the criteria of Section 4.4.

D. Voting Rights.

Each Director shall be entitled to one vote provided the requirements of Article V are fulfilled. All votes shall be considered equal. Written proxies may not be given.

E. Quorum and Required Vote.

A majority of the Directors in office shall constitute a quorum for the transaction of business. A vote of a majority of the Directors present at any meeting in which a quorum is present shall constitute action by the Board unless a different vote is required by the Articles of Incorporation, these Bylaws, or by statute.

F. Directors' Manner of Acting.

1. *Participation in Meetings.* Any or all directors may 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 one another during the meeting, in which case, any required notice of the meeting may generally describe the arrangements (rather than or in addition to the place) for the holding thereof. A director participating in a meeting by this means is deemed to be present in person at the meeting.
2. *Dissent or Abstention of a Director.* A director who is present at a meeting of the Board of Directors or a committee of the Board of Directors when corporate action is taken is deemed to have assented to the action taken unless (1) the director objects at the beginning of the meeting (or promptly upon his or her arrival) to holding it or transacting business at the meeting, (2) his or her dissent or abstention from the action taken is entered in the minutes of the meeting, or (3) he or she delivers written notice of his or her dissent or abstention to the presiding officer of the meeting before its adjournment or to the Corporation before 5:00 p.m. on the next business day after the meeting. The right of dissent or abstention is not available to a director who votes in favor of the action taken.

G. Removal of Directors.

Directors shall serve at the will of their appointing Member. An appointing Member may remove its Directors at any time with cause. In the event a Director is removed by a Member, the Member shall promptly appoint a successor Director. In the event a Director engages in conduct which a majority of the remaining Directors believe is detrimental to the best interests of the Corporation, the Corporation may request that the Member represented by the offending Director remove the Director and appoint a replacement.

H. Ex-Officio Directors.

The Board may designate non-voting ex-officio members to the Board. The presence of ex-officio members at a meeting will not be added in order to constitute a quorum. It is anticipated the ex-officio officers will have significant experience in areas relevant to the operation and goals of the Corporation.

The Board may designate such ex-officio members as it deems appropriate.

4.5 Master Plan.

The Board shall draft a master plan for improvement of any land which shall be conveyed to, leased or acquired by the Corporation. A majority vote of the Board shall be required to adopt this plan. The Board may from time to time modify the master plan by majority vote of the Board.

The provisions in the Master Plan shall not override or supersede any local existing zoning ordinance in effect at the time said lands are acquired. The jurisdiction wherein any land obtained by the Corporation is situated shall govern such land.

**ARTICLE V
MEMBER PARTICIPATION, CAPITAL
CONTRIBUTION, INDEMNIFICATION**

5.1 Membership Participation.

Membership shall include all entities identified in Article III of these Bylaws, and may include such other member entities as approved pursuant to Section 4.1C. However, both appointees of a Member to the Board of Directors shall be prohibited, unless a majority of the remaining Board Members approve otherwise, from participation, voting and/or a seat on the Board of Directors if the requirements set forth in Sections 5.2 and 5.3 below are not met, or during any time period that a Member elects to become a “non-voting Member” pursuant to Section 5.3 below. During the time period that any Board Member is prohibited from participating pursuant to this section, such Board Member shall not be considered a member of the Board of Directors for purposes of determining whether a quorum of Board Members are present at any meeting or for purposes of determining whether any vote was approved by a majority of the Board Members.

5.2 Capital Contribution.

A. *Initial Capital Contribution.* Each original Member shall be responsible to contribute capital in the amount of \$100,000.00.

B. *Subsequent Members Capital Contributions.* Entities becoming members subsequent to the original formation of the Corporation shall contribute capital at the inception of membership in the following amounts:

- | | | |
|----|--|-----------|
| 1. | City or Town with population less than 3500 people | \$10,000 |
| 2. | City with population of 3501 to 25,000 people | \$25,000 |
| 3. | City with population of 25,001 to 100,000 people | \$50,000 |
| 4. | City with population of more than 100,000 people | \$100,000 |

5. Any other form of entity – As may be determined by a 75% majority vote of the Members.

5.3 Cash Calls.

A. It is anticipated that certain expenses, after the initial capital contribution, may arise prior to the Corporation producing enough revenue to meet expenses. Each Member executing these bylaws, and each new Member who shall hereafter be admitted to membership in the Corporation, agrees to be responsible for its proportional share of any such expense as requested by majority vote of the Board, not to exceed \$50,000.00² per year (subject to appropriation by each respective governing board). Annually, the Board shall adopt a budget and set the cash call for the new fiscal year. Members will take every action necessary to appropriate funds in a timely fashion, but in any event, shall make payment on or before December 31 of that fiscal year. Failure by any such Members to fulfill the requirement set forth herein shall prohibit the Member from participating as set forth in paragraph 5.1 until such time as all contribution requirements are satisfied or otherwise deferred as authorized under paragraph 5.4. Failure to meet this obligation within 12 months will constitute voluntary withdrawal of membership.

B. The amount payable by Members shall be calculated as follows:

1. Yuma County, Cocopah Indian Tribe and any city with a population in excess of 25,000 - \$50,000.
2. Any City or town with a population of greater than 3500 but less than 25,000 - \$25,000.
3. Any City or town with a population of less than 3500 - \$10,000
4. Any other entity becoming a Member – As determined by a 75% majority vote of the Directors.

5.4 Deferment of Cash Calls.

Upon unanimous consent of the voting Members, any Member which has had its voting rights suspended for failure to fulfill the requirements set forth in paragraph 5.3 may request reinstatement of its status as a voting Member with a deferment of its outstanding Cash Call obligation until assets of Greater Yuma Port Authority are liquidated and distributed under paragraph 7.1C, or any other equitable distribution of assets to Members which may occur

² Amended on July 25, 2001, by action of the Greater Yuma Port Authority Board of Directors at a regular meeting to increase the maximum annual cash call amount to \$40,000 from \$20,000. Such action was subsequently approved by the governing bodies of the member entities.

Amended on February 24, 2005, by action of the Greater Yuma Port Authority Board of Directors at a regular meeting to increase the maximum annual cash call amount to \$50,000 from \$40,000. Such action was subsequently approved by the governing bodies of the member entities.

during the corporate existence of Greater Yuma Port Authority. If unanimous consent is reached to authorize a request under this section, the Member making the request shall remit the Cash Call for the fiscal year in which the request is made and each fiscal year thereafter until dissolution of the Greater Yuma Port Authority. In the event that assets are distributed to the Members either during the corporate existence of Greater Yuma Port Authority or upon dissolution under paragraph 7.1C, the outstanding Cash Call obligation of any Member approved for deferment pursuant to this section must be satisfied in full prior to any distribution of any proportional share of any Greater Yuma Port Authority asset to said Member.

5.5 Voluntary Withdrawal of Member.³

Any Member may at any time voluntarily withdraw from membership and shall be entitled to repayment without interest of the Member's capital contribution, payable over a three-year term; or

At the request of the withdrawing Member, said Member may be allowed to remain as a non-voting member until dissolution, at which time the withdrawing Member would receive the amount set forth in paragraph 7.1C (the withdrawing Member may at any time prior to dissolution become reinstated as a voting Member by paying all outstanding assessments from the date of withdrawal); or

The withdrawing Member shall receive such amounts in satisfaction of its interest as the withdrawing Member and the remaining Members agree upon by unanimous consent; or that the City of Somerton, an original member, may withdraw as a member and become an ex-officio member and be entitled to repayment of the City of Somerton's capital contributions without interest, and further, that the City of Somerton may at any time prior to the dissolution become reinstated as a voting Member by paying capital contributions refunded equal to that made by each of the other original member entities prior to the City of Somerton's reinstatement. The City of Somerton specifically acknowledges that during the time the City has voluntarily withdrawn from membership it forfeits any right to the process in approving or disapproving changes of the By-Laws (except any change that would affect the City's right to reinstatement) or any other Greater Yuma Port Authority operations except as an Ex-Officio Member of the Board.

**ARTICLE VI
CONDUCT OF BUSINESS**

6.1 Meetings.

³ Amended on February 20, 2002, by action of the Greater Yuma Port Authority Board of Directors at a regular meeting to delete and replace the language set forth in section 5.4 in the original Bylaws, as proposed by the City of Somerton. The Chairman directed staff to forward the amendment to all member entities for approval. Although the member entities approved an amendment to section 5.4, such approvals included additional revised language to the new section 5.4, which the GYPA had not considered or approved.

Amended on May 17, 2007, by action of the Greater Yuma Port Authority Board of Directors at a special meeting to delete section 5.4 of the original Bylaws, in its entirety, and substitute the language set forth in section 5.4 of the First Amended and Restated Bylaws in its place, which is the version that was previously revised, and adopted and approved, by the member entities.

A. *Open Meetings.* Any meeting held by the Board of Directors for any purpose whatsoever shall be open to the public.

B. *Annual Meetings.* An annual meeting of the Board of Directors shall be held in June of each year, for the purpose of examining the financial reports of the Authority and the transaction of any other business as may be brought before the meeting. At such annual meeting a full statement of the condition of the Authority shall be presented by the Chairman.

C. *Regular Meetings.* A regular meeting of the Board of Directors shall be held on a regular basis, the place, time and date to be fixed by the Board of Directors, however in no event less than quarterly. Initially, the regular meetings shall be scheduled monthly on the 4th Thursday of the month.

D. *Special Meetings.* All meetings other than annual meetings and regular meetings, if any, shall be special meetings. Special meetings may be called by the Chairman of the Authority or any two (2) Directors. The person or persons authorized to call special meetings of the Board of Directors may fix any place for holding any special meeting of the Board of Directors.

E. *Notice.* Notice of any meeting shall be given in compliance with Arizona's Open Meeting Law and given not less than twenty-four (24) hours prior to the date and time of the meeting by written notice delivered personally, mailed, faxed or emailed to each Director, or his agent, at his business or home address, or by telephone twenty-four (24) or more hours prior to such meeting. If notice be given by telephone, such notice shall be deemed to be delivered only when the person giving notice contacts the Director personally and prepares an Affidavit for filing with the corporate Secretary to that effect. All Notices shall contain a legend complying with the American with Disabilities Act. The Administrator shall endeavor to provide Director's with a copy of the Agenda and a complete meeting packet at least five working days prior to the date fixed for any regular meeting.

6.2 Committees.

A. *Committees.* Committees may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Members of each such committee need not be Directors of the Corporation, and the Chairman of the Corporation shall appoint the members thereof.

B. *Term of Office.* Each member of a committee shall continue as such for the period of time that the Board of Directors may determine.

C. *Chairman.* Committee chairmen must be Directors of the Corporation and shall be appointed by the Chairman of the Corporation.

D. *Vacancies.* Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

E. *Quorum.* Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

F. *Duties.* Committees shall perform such tasks as assigned by the Board of Directors and shall make such report and recommendations to the Board as is appropriate.

6.3 Officers of the Corporation.

The officers of the Corporation shall consist of the Chairperson, Vice Chairperson, and a Secretary/Treasurer.

6.4 Election-Term.

The Chairperson, Vice Chairperson and Secretary/Treasurer of the Corporation shall be elected by the Board at the next scheduled Board Meeting following the Annual Meeting. Officers shall serve terms of one (1) year each or until their successors are elected and qualified.

6.5 Chairperson of the Board.

The Chairperson of the Board shall preside at all meetings of the Board and the Executive Committee.

6.6 Vice Chairperson.

The Vice Chairperson in the absence of the Chairperson, shall assume all duties of that office and, upon the death, resignation, or removal of the Chairperson, the Vice Chairperson shall assume duties until a new Chairperson has been elected.

6.7 Secretary/Treasurer.

The Secretary/Treasurer shall keep the roll of Directors, give staff assistance in providing notice of all meetings and recorded minutes of the Boards, review and sign the minutes of such meetings and generally oversee the records, and shall perform such other duties as may be assigned by the Chairperson. The Secretary/Treasurer shall work with staff of the Corporation and shall accept contributions to the Corporation keep accurate accounts of all sums due and all expenditures made, and report the financial condition of the Corporation to the Board at each Regular Meeting.

6.8 Removal from Office.

Any officer may be removed from office as a result of failure to fulfill the duties of said office, or for conduct detrimental to the best interests of the Corporation. Said removal can only be effected by a two-thirds (2/3) vote of the Board of Directors. The officer removed shall be notified in writing.

ARTICLE VII DISSOLUTION

7.1 Dissolution.

A. *Events of Dissolution.* The Corporation may be dissolved only upon written consent of each and every director of the Board, and at the approval of the governing body of each Member.

B. *Winding Up.* On the Corporation's dissolution, the business of the Corporation shall be wound up within a reasonable period of time, its assets liquidated, a final accounting made and the Corporation's books closed all in accordance with the applicable provisions of Title 10 of the Arizona Revised Statutes.

C. *Distribution of Liquidation Proceeds.*

1. Assets/Proceeds. Should any assets/proceeds in excess of liabilities exist following this Corporation's election to dissolve and winding up, the assets/proceeds shall be distributed to the Members. Any assets not disposed of shall be disposed of by the Superior Court of Yuma County, Arizona.

2. Liabilities. Upon dissolution and liquidation, any liabilities in excess of assets/proceeds will be divided equally among the remaining Members. A Member will be considered responsible under this paragraph unless it terminated its membership greater than two years prior to the date of the election to dissolve. Notwithstanding the foregoing, nothing in this provision shall cause the liabilities allocated to a Member to constitute a debt of such Member and the Member's obligation to make payment of such liability shall be at the sole discretion of the Member's governing body and shall be subject to appropriation.

ARTICLE VIII LIMITATION OF LIABILITY AND INDEMNIFICATION

8.1 Indemnification.

A. To the extent permitted by law, each Member shall hold harmless and indemnify each other Member from any claim, liability or loss related to any funding, capital contribution, or in any manner whatsoever with regard to the individual participation by that Member to the fullest extent allowed by law, save for that caused by the indemnitee's intentional misconduct or sole negligence, or as specified in paragraph 7.1C.

B. *Liability.* No Officer or Director shall be liable to the Corporation for any loss or damage suffered by it on account of any action taken or not taken by him or her as an Officer or Director, if such person (1) exercised and used the same degree of care and skill as a prudent person would have exercised and used under the circumstances and in the conduct of his or her own affairs, or (2) took or failed to take such action in reliance upon advice of counsel for the Corporation or upon

statements made or confirmation furnished by Officers or employees of the Corporation which he or she had reasonable grounds to believe. The foregoing shall not be exclusive of other rights and defenses to which he or she may be entitled as a matter of law.

C. *Indemnity.* Each Officer and Director, whether or not then in office, shall be held harmless and indemnified by the Corporation against all claims and liabilities and all expenses reasonably incurred or imposed upon him or her in connection with or resulting from any action, suit, or proceeding, civil or criminal, or the settlement or compromise thereof, to which he or she may be made party be reason of any action taken or failed to be taken by him or her as an Officer or Director of the Corporation in good faith, if such person, in the opinion of a court or the Board of Directors, (1) exercised and used the same degree of care and skill as a prudent person would have exercised and used under the circumstances in the conduct of his or her own affairs, or (2) acted upon advice of counsel for the Corporation or upon statements made or information furnished by Officers or employees of the Corporation which he or she had reasonable grounds to believe.

D. *Insurance.* The Corporation shall purchase and maintain insurance on behalf of, or insure or cause to be insured, any person who was or is a Director or Officer against any liability asserted against him or her or incurred by him or her in any such capacity or arising out of such status, whether or not the Corporation would have the power to indemnify him or her as provided by Arizona State Law.

ARTICLE IX COMPENSATION

No Director or Officer shall be entitled to any compensation. However, the Board may reimburse reasonable out-of-pocket expenses of its Officers and/or Directors in the performance of duties, if such expenses are approved by the Board.

ARTICLE X AMENDMENT

Amendments to these Bylaws may be adopted by the Board of Directors at any regular meeting or at a special meeting called for that purpose. Notice of any proposed amendments shall be included in a notice to the Members of the meeting at which the proposed amendment is to be considered. A resolution adopting the proposed amendment must receive approval by a three-fourths (3/4) vote of the Board of Directors and the approval of the governing body of each member.

ARTICLE XI CONFLICTS OF INTEREST

11.1 Definitions.

A. *Port Authority.* Only for the purposes of this Article XI, Conflicts of Interest, “Port Authority” means and includes all Officers and Directors of the Port Authority and employees of the Port Authority, and their relatives.

B. *Relatives.* “RELATIVE” means the spouse, child, stepchild, grandchild, parent, grandparent, brother, or sister, of the whole or half blood, and their spouses.

C. *Substantial Interest.* “SUBSTANTIAL INTEREST” means substantial pecuniary or proprietary interest, either direct or indirect.

11.2 Specific Guidelines.

A. No Officer or Director shall participate in the decision-making process on any matter in which such person has a substantial interest, pursuant to State law.

B. Upon learning that Port Authority (or a Committee thereof) is involved in a matter in which an Officer or Director has a substantial interest, such Director or Officer shall notify the Chair of Port Authority of such interest and shall immediately withdraw from any further communication or discussion with any Officer, Director or employee of Port Authority with respect thereto.

C. No Officer or Director shall use his or her position as an Officer, Director, employee, or Committee Member of Port Authority to gain access to information or influence the decision-making process of either Port Authority or any governmental body or agency in connection with any Port Authority matter in which such Officer or Director has a substantial interest.

D. Upon receipt of notice from an Officer or Director that such person has a substantial interest in a matter in which Port Authority is involved, the Chair shall remove such Officer or Director from any discussion and not furnish or provide him or her with the information pertaining to that matter which is furnished to the other Port Authority Officer or Director; except to the extent that such information is generally available to the public at large.

11.3 Interpretation.

An Officer or Director who may have a substantial interest in a Port Authority matter may disclose the potential conflict of interest to the Chair and/or counsel to Port Authority for an interpretation of this conflict of interest policy.

ARTICLE XII MISCELLANEOUS

12.1 Contracts, etc.

Except as otherwise provided by law or these Bylaws, an Officer or Officers, employee or employee or agent or agents of the Corporation as shall be specified by the Board may sign, in the name and on behalf of the Corporation, all deeds, bonds, contracts, leases, and other instruments or documents, the execution of which shall be authorized by a majority vote of the Board, and such authority may be general or confined to specific instances.

12.2 Checks, Drafts, etc.

All checks, drafts, notes, bonds, bills of exchange, or other orders, instruments, or obligations for the payment of money shall be signed and countersigned by such Officer or Officers, employee or employees, or agency or agents of the Corporation as shall be specified by the Board.

12.3 Notice and Waivers Thereof.

Whenever any notice to a Director or Officer is required by the Bylaws, by the Articles of Incorporation, or by any law, such notice, except as otherwise provided by law, may be given personally or in writing by mail addressed to such Director or Officer at his or her place of business, if any, or at such address as appears in the records of the Corporation as the home address of the Director or Officer. Any notice given by mail shall be deemed to have been given when it shall have been deposited, with the proper postage, in a post office in a regularly maintained letter box, or with a postal carrier. A waiver of such notice in writing, signed by the person entitled to such notice, whether before or after the time of the action for which such notice is required, shall be deemed the equivalent thereof, and the presence without objection at any meeting of any person entitled to notice thereof shall be deemed a waiver of such notice as to such person.

12.4 Interested Directors.

In the absence of fraud, no contract or transaction between the Corporation and a Director or any other corporation or entity in which such Director is a Director or Officer, or is financially interested, shall be void or voidable for reason of the financial interest alone, provided that the fact of such common Directorship, Officership, or financial or other interest is disclosed or known to the Board, and that the Board approves such transaction or contract by a vote sufficient for such purpose without the vote of such interested Director. Such Director may, however, be counted in determining the presence of a quorum at such meeting.

12.5 Books and Records.

A. The Corporation shall keep complete books and records of account, shall keep minutes of the proceedings of its Board, and shall keep a record giving the names and addresses of the Directors entitled to vote, at the Principal office of business.

B. The Secretary/Treasurer shall report the financial condition of the Corporation to the Board at each Regular meeting.

C. The Corporation shall retain the services of a qualified certified public accounting firm which will examine the financial records of the Corporation and provide a compiled financial statement on a quarterly basis to the Secretary/Treasurer.

D. At the Regular Board meeting following the end of each fiscal year, the Secretary/Treasurer shall present a report of the financial condition of the Corporation for the preceding fiscal year.

E. The Board of Directors may, by majority vote, require an independent audit to be initiated at any time when circumstances warrant such action.

F. Member entities retain the right to inspect the financial and other records of the Corporation during normal business hours.

12.6 Corporate Seal.

The Seal of the Corporation shall be impressed as follows: "GREATER YUMA PORT AUTHORITY, INCORPORATED 2000 ARIZONA" ADOPTED THIS 18TH DAY OF SEPTEMBER, 2000, BY THE BOARD OF DIRECTORS OF THE PORT AUTHORITY.

DATED this ____ day of _____, 202____⁴

Chairman

Attest:

Secretary

⁴ This is the date of approval by the last member entity pursuant to Article X.