

BYLAWS
OF
INTERNATIONAL BEAUTY PROFESSIONALS ASSOCIATION,
INC.

A California Nonprofit Mutual Benefit Corporation

Intended to qualify under Section 501(c)(6) of the Internal Revenue Code

***Revision note:** Yellow-highlighted provisions reflect revisions made to align these Bylaws with Section 501(c)(6) of the Internal Revenue Code, Treasury Regulation §1.501(c)(6)-1, the California Nonprofit Corporation Law, and related IRS Form 1024 filing requirements. These revisions should be adopted by Board resolution prior to submission to the IRS.*

ARTICLE 1. NAME, STATUS, PURPOSE, AND OFFICES

Section 1.1. Name.

The name of this corporation is **International Beauty Professionals Association, Inc.** (the “Association” or “IBPA”).

Section 1.2. Legal Status.

The Association is a nonprofit mutual benefit corporation organized under the laws of the State of California. The Association is organized and shall be operated in a manner intended to qualify under Section 501(c)(6) of the Internal Revenue Code, as amended, or the corresponding provision of any future federal tax law.

Section 1.3. Non-Governmental Nature.

The Association is not a governmental authority, licensing board, or regulatory agency. The Association does not issue governmental licenses, governmental approvals, or legal authorizations to practice. Any educational, professional, or informational materials provided by the Association are not a substitute for legal, licensing, or regulatory compliance obligations applicable in any jurisdiction.

Section 1.4. Principal Office.

The principal office of the Association shall be located in the State of California at such location as may be designated by the Board of Directors from time to time. Unless and until changed by

Board resolution, the principal office may be maintained at the address reflected in the official corporate records of the Association.

Section 1.5. Additional Offices.

The Association may maintain additional offices, mailing addresses, administrative locations, or virtual offices within or outside the State of California as determined by the Board of Directors.

Section 1.6. Geographic Scope.

The Association may operate throughout the United States and may engage in lawful international activities, including admitting international members, holding events, publishing materials, and developing partnerships, subject to applicable law.

Section 1.7. Purpose.

The Association is organized to promote the common business interests of persons engaged in the beauty industry and to improve business conditions of one or more lines of business within that industry, within the meaning of Section 501(c)(6) of the Internal Revenue Code and Treasury Regulation §1.501(c)(6)-1. The Association exists to support, strengthen, and advance the beauty industry and its professional community by promoting standards, education, professional development, ethical conduct, recognition of excellence, industry collaboration, and responsible business and professional practices.

Section 1.8. Mission.

The mission of the Association is to foster a strong and respected professional community in the beauty industry; promote high standards of quality, ethics, and professional conduct; support education and professional growth; create opportunities for collaboration, visibility, and recognition; and contribute to the long-term development and integrity of the industry.

Section 1.9. Permitted Activities.

To carry out its mission, the Association may engage in activities including, but not limited to:

- (a) developing and maintaining professional standards and ethics guidance;
- (b) administering selective membership programs;
- (c) organizing educational, networking, business, media, and industry events;
- (d) conducting competitions, awards, and recognition programs;
- (e) publishing printed or digital materials, including magazines, articles, and resources;
- (f) building partnerships with brands, companies, schools, and other organizations; and
- (g) engaging in any lawful activities consistent with these Bylaws and applicable law.

ARTICLE 2. NONPROFIT CHARACTER; LIMITATIONS

Section 2.1. Nonprofit Operation.

The Association shall not be organized or operated for the private gain of any person. No part of the net earnings, income, assets, or property of the Association shall inure to the benefit of, or be distributable to, its directors, officers, committee members, members, employees, contractors, or other private persons, except that the Association may pay reasonable compensation for services actually rendered and may reimburse properly documented expenses incurred on behalf of the Association.

Section 2.2. No Distribution of Profits.

The Association shall not distribute profits or net earnings to its members, directors, officers, or other private persons except as permitted by law and these Bylaws.

Section 2.3. Consistency with Section 501(c)(6).

The Association shall be operated in a manner intended to be consistent with the requirements of Section 501(c)(6) of the Internal Revenue Code. The Board of Directors may interpret and apply these Bylaws in a manner consistent with such requirements.

Section 2.4. No Particular Services for Individuals.

The Association's activities shall be directed toward the improvement of business conditions of the beauty industry as a whole and one or more lines of business within that industry, and shall not be directed toward the performance of particular services for individual persons or members. Any benefits conferred upon individual members shall be incidental to the Association's principal exempt purposes and shall be made available on a non-discriminatory basis within the applicable membership category.

Section 2.5. Lobbying and Political Activities.

The Association may engage in lobbying and legislative activities germane to its exempt purposes to the extent permitted for organizations described in Section 501(c)(6) of the Internal Revenue Code. The Association shall comply with all applicable disclosure, reporting, member-notice, and proxy-tax requirements under Internal Revenue Code Section 6033(e) and related regulations. The Association shall not participate or intervene in any political campaign on behalf of, or in opposition to, any candidate for public office in any manner that would jeopardize its exempt status.

ARTICLE 3. MEMBERSHIP

Section 3.1. Nature of Membership.

Membership in the Association is voluntary, selective, and subject to formal review and approval. Membership is not open to all applicants automatically.

Section 3.2. Categories of Membership.

The Association recognizes the following principal categories of membership:

- (a) Specialist Member;
- (b) Professional Member;
- (c) Trainer / Educator Member;
- (d) Business Owner Member;
- (e) Brand / Company Member.

The Board of Directors may create, rename, combine, suspend, or discontinue categories, subcategories, designations, or recognition statuses, provided that such action is consistent with the governing documents and mission of the Association.

Section 3.3. No Automatic Right to Membership.

Submission of an application, payment of any fee, possession of credentials, or prior participation in industry activities does not create an automatic right to membership.

Section 3.4. Selective Membership Principle.

Membership shall be granted only to applicants who, in the judgment of the Association, demonstrate professional, educational, business, or industry-related relevance to the beauty industry and sufficient alignment with the mission, values, standards, and policies of the Association.

Section 3.5. Membership Review Board.

All membership applications shall be reviewed by the Membership Review Board, unless the Board of Directors authorizes another reviewing body in a particular circumstance consistent with the governing documents.

Section 3.6. Eligibility.

An applicant may be eligible for membership if the applicant:

- (a) has a genuine connection to the beauty industry or its professional ecosystem;
- (b) provides truthful, complete, and current information;

- (c) meets the criteria applicable to the selected category;
- (d) agrees to comply with these Bylaws, the Code of Ethics, Professional Standards, policies, and procedures of the Association; and
- (e) satisfies any additional requirements reasonably established by the Association.

Section 3.7. Minimum Age.

Except where a lawful and specifically approved student arrangement provides otherwise, applicants for individual membership must be at least eighteen (18) years of age.

Section 3.8. Supporting Documentation.

Applicants may be required to provide documentation, including but not limited to:

- (a) proof of enrollment;
- (b) licenses, certificates, or diplomas;
- (c) portfolio materials;
- (d) website or social media links;
- (e) company documents or business registration records;
- (f) teaching, speaking, judging, or event participation records;
- (g) references; and
- (h) any other materials reasonably requested by the Association.

Section 3.9. Good Standing.

A member is in good standing only if the member:

- (a) has active membership status;
- (b) has not been suspended or terminated;
- (c) is current on any required membership fees or approved payment obligations;
- (d) complies with these Bylaws and all applicable Association policies; and
- (e) is not subject to any unresolved status restriction imposed by the Association.

Section 3.10. Non-Statutory Membership.

The persons designated as “members” in these Bylaws are not “members” as that term is defined in Section 5056 of the California Corporations Code. Such persons shall have no voting rights, no inspection rights under Section 8320 of the California Corporations Code, no right to bring derivative actions as members, and no other statutory rights of members under the California Nonprofit Corporation Law. Their rights are solely the programmatic and contractual rights

expressly established by these Bylaws and duly adopted policies of the Association, and do not constitute general governance rights in the management of the corporate affairs of the Association.

Section 3.11. Rights of Members.

Subject to category, good standing, and applicable policies, a member may:

- (a) access benefits associated with the member's category;
- (b) participate in Association events, programs, and activities for which the member is eligible;
- (c) receive selected communications, educational materials, and opportunities;
- (d) be considered for member directory inclusion, if applicable;
- (e) submit proposals, suggestions, or feedback to the Association;
- (f) voluntarily cancel membership in accordance with the applicable policy; and
- (g) exercise any appeal rights expressly granted by the governing documents or policies.

Section 3.12. Limitations of Membership.

Membership does not guarantee:

- (a) appointment to the Board of Directors;
- (b) appointment as an officer or committee member;
- (c) award recognition;
- (d) speaking, publishing, teaching, judging, or sponsorship opportunities;
- (e) business referrals;
- (f) directory inclusion if conditions for inclusion are not met; or
- (g) any governmental or legal recognition.

Section 3.13. Obligations of Members.

All members shall:

- (a) comply with these Bylaws and all governing documents;
- (b) comply with the Code of Ethics and Professional Standards;
- (c) provide truthful and accurate information;
- (d) maintain professional and respectful conduct;
- (e) refrain from conduct materially harmful to the Association;
- (f) cooperate in good faith with legitimate Association review, standards, or disciplinary inquiries;
- (g) pay required fees when due, if applicable; and

(h) update relevant contact or profile information when required.

Section 3.14. Use of Membership Status.

Only active members in good standing may represent themselves as members of the Association. No member may falsely imply that membership in the Association constitutes state licensure, governmental approval, guaranteed competence, or legal authorization to practice.

ARTICLE 4. MEMBERSHIP APPLICATION, REVIEW, APPROVAL, AND DENIAL

Section 4.1. Application Form.

Each applicant shall submit the official membership application form designated by the Association together with any required supporting materials.

Section 4.2. Review Procedure.

Applications shall be reviewed in accordance with the Membership Review Procedure adopted by the Association.

Section 4.3. Additional Information.

The Membership Review Board may request additional information, clarification, or documentation. Failure to provide requested materials within the time reasonably specified by the Association may result in denial or closure of the application.

Section 4.4. Decisions.

The Membership Review Board may issue any of the following outcomes:

- (a) approved;
- (b) pending additional information;
- (c) deferred;
- (d) denied.

Section 4.5. Approval and Activation.

Membership shall become active only after:

- (a) approval of the application;
- (b) payment of the applicable fee, if required; and
- (c) entry of the approved applicant into the official membership records of the Association.

Section 4.6. No Obligation to State Reasons.

The Association may, but is not required to, provide detailed reasoning for denial of an application unless otherwise required by law or policy.

Section 4.7. Reapplication.

An applicant whose application is denied may reapply at a later date, unless the Association has imposed a period of ineligibility or other limitation consistent with its governing documents.

ARTICLE 5. MEMBERSHIP FEES, BENEFITS, RENEWAL, AND STATUS

Section 5.1. Fees.

Membership fees shall be determined by the Board of Directors or by a schedule approved by the Board of Directors. Different categories may have different fees.

Section 5.2. Benefits.

Membership benefits shall be defined by category and may be described in the Membership Policy, website materials, approved schedules, or official Association communications.

Section 5.3. Modification of Benefits.

The Association may modify, expand, reduce, suspend, or discontinue membership benefits, categories, or features in its reasonable discretion, provided that such actions are consistent with the governing documents and are not unlawfully discriminatory among similarly situated members.

Section 5.4. Membership Term.

The duration of membership shall be as set forth in the Association's approved membership structure or records. The Board of Directors may establish annual, recurring, fixed-term, or other membership periods.

Section 5.5. Renewal.

Renewal of membership may require:

- (a) payment of renewal fees;
- (b) confirmation or update of information;
- (c) continued compliance with Association standards; and
- (d) continued category eligibility.

Section 5.6. No Automatic Renewal.

Renewal is not automatically guaranteed unless expressly established by a recurring membership program approved by the Association.

Section 5.7. Denial of Renewal.

The Association may deny renewal where the member:

- (a) is no longer eligible;
- (b) has not complied with standards or policies;
- (c) has unpaid obligations;
- (d) has provided misleading information; or
- (e) is otherwise inconsistent with the mission, standards, or integrity of the Association.

**ARTICLE 6. MEMBERSHIP CANCELLATION, SUSPENSION, AND
TERMINATION**

Section 6.1. Voluntary Cancellation by Member.

A member may cancel membership at any time:

- (a) through the Member Area on the Association website, if available; or
- (b) by sending a written request to the official Association email address.

Section 6.2. Effective Cancellation.

Cancellation becomes effective when processed by the Association in accordance with its administrative procedures.

Section 6.3. No Refund Rule.

All membership fees are non-refundable, regardless of the timing of cancellation, except where otherwise expressly stated by the Association in writing. Partial refunds shall not be issued unless expressly authorized.

Section 6.4. Suspension or Termination by the Association.

Membership may be suspended, restricted, not renewed, or terminated for reasons including, but not limited to:

- (a) violation of these Bylaws;
- (b) violation of the Code of Ethics;
- (c) violation of Professional Standards;

- (d) false, misleading, incomplete, or fraudulent information;
- (e) misuse of Association membership status or marks;
- (f) nonpayment of required fees;
- (g) failure to cooperate with legitimate Association inquiry;
- (h) conduct materially harmful to the Association; or
- (i) loss of category eligibility.

Section 6.5. Fair Process.

Before significant adverse action is taken, the Association shall generally provide notice and a reasonable opportunity to respond, except where immediate interim action is reasonably necessary to protect the Association, its members, its reputation, or third parties.

Section 6.6. Effect of Termination.

Upon termination or suspension, the Association may revoke or restrict:

- (a) membership status;
- (b) access to benefits or member-only resources;
- (c) directory listing;
- (d) use of badges, certificates, logos, or marks;
- (e) committee participation; and
- (f) other membership-related privileges.

Section 6.7. No Refund Following Adverse Action.

Membership fees remain non-refundable in the event of suspension, termination, or non-renewal unless otherwise expressly provided by the Association.

ARTICLE 7. BOARD OF DIRECTORS

Section 7.1. Governing Authority.

The Board of Directors is the governing body of the Association and shall be responsible for the strategic direction, governance, oversight, and protection of the mission and integrity of the Association.

Section 7.2. Powers.

The Board of Directors shall have all powers necessary and appropriate to supervise and direct the affairs of the Association, subject to applicable law and these Bylaws, including authority to:

- (a) adopt and amend policies;
- (b) approve budgets and oversee finances;
- (c) appoint and remove officers;
- (d) create and dissolve committees;
- (e) approve strategic plans;
- (f) approve major transactions and commitments;
- (g) oversee compliance and governance;
- (h) protect the mission and reputation of the Association; and
- (i) exercise all lawful corporate powers not otherwise reserved.

Section 7.3. Number of Directors.

The Board shall consist of not fewer than four (4) directors and not more than eleven (11) directors unless otherwise amended by these Bylaws or duly fixed by Board resolution consistent with law.

Section 7.4. Qualifications.

Directors shall be natural persons at least eighteen (18) years of age and shall possess qualifications determined by the Board, including professional credibility, good faith commitment to the mission, and capacity to fulfill fiduciary duties.

Section 7.5. Terms of Office.

Each director shall serve a term of two (2) years and until a successor is elected, appointed, or qualified, unless the director earlier resigns, is removed, or becomes disqualified.

Section 7.6. Staggered Terms.

To the extent practicable, director terms shall be staggered to promote continuity of governance.

Section 7.7. Term Limits.

A director may serve no more than three (3) consecutive full terms unless the Board determines that extraordinary circumstances justify an exception consistent with the best interests of the Association.

Section 7.8. Election of Directors.

Because the Association has no statutory voting members under Section 3.10, directors shall be elected by the affirmative vote of a majority of the directors then in office. Elections shall occur at the annual meeting of the Board or at such other meeting as the Board may designate, consistent with these Bylaws. The Board shall establish procedures for the nomination, vetting, and election of directors consistent with these Bylaws and applicable law. The founding directors shall be those

persons identified in the Association's initial corporate records and shall serve until their successors are duly elected, appointed, or qualified.

Section 7.9. Vacancies.

Any vacancy on the Board may be filled by majority vote of the remaining directors, even if less than a quorum, and the appointed director shall serve the remainder of the unexpired term unless otherwise determined.

Section 7.10. Resignation.

A director may resign at any time by written notice to the President or Secretary. The resignation shall be effective upon receipt unless a later effective date is specified.

Section 7.11. Removal.

A director may be removed, with or without cause, by a vote of two-thirds (2/3) of the directors then in office, provided that notice of the proposed removal is given in advance and fair process is observed.

Section 7.12. Director Duties.

Each director shall act:

- (a) in good faith;
- (b) in a manner the director believes to be in the best interests of the Association; and
- (c) with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

ARTICLE 8. OFFICERS

Section 8.1. Officers.

The officers of the Association shall include:

- (a) President;
- (b) Vice President;
- (c) Secretary;
- (d) Treasurer.

The Board may create additional officer positions if needed.

Section 8.2. Appointment and Term.

Officers shall be appointed by the Board of Directors and shall serve one (1) year terms, subject to reappointment, resignation, removal, or disqualification.

Section 8.3. President.

The President shall be the chief elected or appointed leader of the Association for governance purposes and shall:

- (a) provide general leadership and strategic guidance;
- (b) preside at Board meetings unless otherwise delegated;
- (c) represent the Association publicly and organizationally;
- (d) help ensure implementation of Board-approved plans and decisions;
- (e) supervise officers and coordinate with committees;
- (f) sign documents within the authority approved by the Board; and
- (g) perform such other duties as may be assigned by the Board.

The President shall not act beyond limits established by these Bylaws, Board policy, approved budget, or Board resolution.

Section 8.4. Vice President.

The Vice President shall:

- (a) assist the President;
- (b) perform duties delegated by the President or Board;
- (c) act in the place of the President when the President is absent, unavailable, or unable to serve; and
- (d) support continuity of operations and governance.

Section 8.5. Secretary.

The Secretary shall:

- (a) maintain minutes of Board meetings;
- (b) maintain official corporate records;
- (c) maintain, or supervise the maintenance of, the member and decision records of the Association;
- (d) provide or supervise notices of meetings;
- (e) maintain governing documents and amendments; and
- (f) perform such other duties as assigned.

Section 8.6. Treasurer.

The Treasurer shall:

- (a) oversee financial records and reporting;
- (b) assist with preparation and presentation of budgets;
- (c) monitor receipts, expenditures, and financial integrity;
- (d) help ensure financial documentation is maintained;
- (e) report material financial matters to the Board; and
- (f) perform other financial oversight duties as assigned.

Section 8.7. Removal of Officers.

Any officer may be removed by the Board of Directors whenever, in the judgment of the Board, the best interests of the Association will be served thereby.

Section 8.8. Vacancy in Office.

Any vacancy in any officer position may be filled by the Board of Directors for the remainder of the term or for a newly assigned term.

ARTICLE 9. COMMITTEES

Section 9.1. Creation of Committees.

The Board of Directors may establish standing, temporary, advisory, or special committees by Board resolution.

Section 9.2. Committee Authority.

Committees shall have only such authority as is expressly granted by the Board of Directors and shall remain subject to Board oversight. No committee may exercise powers reserved to the Board under law or these Bylaws unless expressly authorized and legally permitted.

Section 9.3. Membership Review Board.

The Association shall maintain a Membership Review Board responsible for reviewing membership applications in accordance with the Membership Review Procedure.

Section 9.4. Standards & Ethics Committee.

The Board may establish a Standards & Ethics Committee to review standards-related issues, ethics concerns, and related compliance matters.

Section 9.5. Awards & Recognition Committee.

The Board may establish an Awards & Recognition Committee to oversee recognition programs, nomination procedures, eligibility, and related safeguards.

Section 9.6. Education Committee.

The Board may establish an Education Committee to support educational programming, professional development resources, and training initiatives.

Section 9.7. Events Committee.

The Board may establish an Events Committee to support the planning and coordination of Association events and related activities.

Section 9.8. Media & Publications Committee.

The Board may establish a Media & Publications Committee to support publication standards, editorial initiatives, media presence, and communications.

Section 9.9. Partnerships Committee.

The Board may establish a Partnerships Committee to support strategic relationships with brands, schools, organizations, sponsors, and industry partners.

Section 9.10. Committee Membership and Chair.

Committee members and committee chairs shall be appointed by the Board or in such other manner as the Board authorizes.

Section 9.11. Committee Procedures.

Committees shall operate under any charter, policy, or guidelines approved by the Board and shall report to the Board as required.

ARTICLE 10. MEETINGS OF THE BOARD

Section 10.1. Regular Meetings.

The Board shall hold regular meetings at such times and places, including remote format, as determined by the Board. Regular meetings should occur at least quarterly unless the Board determines otherwise.

Section 10.2. Special Meetings.

Special meetings may be called by the President or by not fewer than one-third (1/3) of the directors then in office.

Section 10.3. Notice of Meetings.

Notice of regular meetings shall be given at least seven (7) calendar days in advance unless waived. Notice of special meetings shall be given at least forty-eight (48) hours in advance unless circumstances reasonably require shorter notice and lawful notice is provided.

Section 10.4. Remote Participation.

Meetings may be conducted in person, by telephone, by video conference, or by other lawful communications technology, provided that all participating directors can hear or otherwise effectively communicate with one another.

Section 10.5. Quorum.

A majority of the directors then in office shall constitute a quorum for the transaction of business.

Section 10.6. Action by Majority Vote.

Except as otherwise required by law or these Bylaws, the act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board.

Section 10.7. Supermajority Matters.

The following actions shall require approval by at least two-thirds (2/3) of the directors then in office:

- (a) amendment of these Bylaws;
- (b) removal of a director;
- (c) dissolution of the Association;
- (d) approval of materially interested transactions where such vote is required;
- (e) any matter expressly designated by the Board as requiring a supermajority.

Section 10.8. Unanimous Written Consent.

Any action required or permitted to be taken by the Board may be taken without a meeting if all directors consent in writing or by electronic transmission to the action, to the extent permitted by law.

Section 10.9. Electronic Voting and Written Approval.

The Board may authorize secure electronic voting or written approval mechanisms for actions where lawful and appropriate.

Section 10.10. Minutes.

All Board meetings shall be documented in minutes, which shall include:

- (a) date, time, and format;
- (b) names of directors present and absent;
- (c) quorum determination;
- (d) agenda items;
- (e) disclosed conflicts of interest;
- (f) motions and voting results; and
- (g) adopted decisions.

ARTICLE 11. FINANCES, CONTRACTING, AND SIGNATORY AUTHORITY

Section 11.1. Financial Oversight.

The Board of Directors shall have ultimate oversight responsibility for the finances of the Association.

Section 11.2. Sources of Funds.

The Association may receive funds from membership fees, event registrations, sponsorships, lawful donations where appropriate, publication-related revenue, educational activities, and other lawful sources.

Section 11.3. Budget.

The Association shall operate under a budget approved by the Board, or under interim financial authority approved by the Board, where applicable.

Section 11.4. Expenditures.

Funds of the Association may be used for expenses reasonably necessary to achieve the purposes of the Association, including operations, professional services, events, publications, technology, educational programs, marketing, awards, staffing, and other lawful purposes.

Section 11.5. Compensation.

The Association may pay reasonable compensation for services actually rendered and may reimburse documented expenses incurred for the benefit of the Association, provided such payments are properly approved and are consistent with law and policy.

Section 11.6. Conflict-Free Approval of Compensation.

Any person with a personal financial interest in a compensation decision shall not vote on that decision.

Section 11.7. Signatory Authority.

The Board shall determine which officers, directors, employees, or authorized persons may sign checks, contracts, commitments, or other instruments on behalf of the Association.

Section 11.8. Corporate Seal.

The Association shall not be required to have a corporate seal. Documents executed on behalf of the Association shall be signed by such officers, directors, or authorized agents as the Board of Directors shall from time to time designate by resolution or by policy adopted under these Bylaws. Any instrument affecting real property or requiring acknowledgment, and any other document required by law or by Board resolution to be executed by more than one signatory, shall be signed by the President or a Vice President together with the Secretary or the Treasurer.

Section 11.9. Financial Controls.

The Board may adopt internal controls, spending thresholds, dual-signature requirements, reimbursement rules, or approval procedures to protect Association funds and records.

Section 11.10. Fiscal Year.

The fiscal year of the Association shall end on December 31, unless otherwise determined by resolution of the Board of Directors. The fiscal year shall be used for federal and state tax reporting, annual financial reporting, and preparation of Form 990 or Form 990-EZ and California Form 199, as applicable.

Section 11.11. Nonprofit Integrity Act Compliance.

If the Association's gross annual revenue reaches or exceeds the threshold established under the California Nonprofit Integrity Act (California Government Code §§ 12580–12599.7) or any successor law, the Board shall cause the Association to obtain audited financial statements prepared in accordance with generally accepted accounting principles by an independent certified public accountant, and shall establish an audit committee in compliance with applicable law. The Association shall further comply with all applicable registration, reporting, and disclosure requirements of the California Attorney General's Registry of Charitable Trusts, to the extent applicable.

ARTICLE 12. CONFLICT OF INTEREST

Section 12.1. Duty to Disclose.

Each director, officer, committee member, reviewer, judge, or other person acting in a position of responsibility for the Association shall promptly disclose any actual, potential, or perceived conflict of interest.

Section 12.2. Recusal.

A person with a conflict of interest shall refrain from participating in discussion, deliberation, recommendation, or voting on the relevant matter, except to the extent needed to provide factual information if requested.

Section 12.3. Documentation.

Disclosure of conflict and recusal shall be reflected in the minutes or other appropriate records.

Section 12.4. Interested Transactions.

Transactions involving a potential conflict of interest shall be reviewed and approved only if determined by disinterested decision-makers to be fair, reasonable, and in the best interests of the Association.

Section 12.5. Additional Policy.

The Board may adopt a separate Conflict of Interest Policy to further govern disclosures, annual statements, procedures, and standards, including provisions designed to avoid excess benefit transactions within the meaning of Internal Revenue Code Section 4958 and related regulations.

ARTICLE 13. RECORDS, REPORTS, AND TRANSPARENCY

Section 13.1. Records.

The Association shall maintain appropriate corporate, membership, financial, tax, and governance records.

Section 13.2. Official Records.

Official records may include:

- (a) Articles of Incorporation;
- (b) these Bylaws and amendments;
- (c) Board and committee minutes;
- (d) membership records;
- (e) financial and tax records;
- (f) policies;
- (g) committee charters;
- (h) key contracts; and
- (i) other records required by law or good governance.

Section 13.3. Financial Reporting.

The Treasurer or another designated financial oversight person shall provide financial reporting to the Board at reasonable intervals, and at least quarterly where practicable.

Section 13.4. Annual Reporting.

The Association may prepare annual summaries or reports of activities and finances in the manner approved by the Board.

ARTICLE 14. APPEALS

Section 14.1. Appeal Rights.

To the extent provided by policy or these Bylaws, an applicant or member may appeal:

- (a) denial of membership;
- (b) certain disciplinary actions;
- (c) certain membership status decisions materially affecting rights or standing.

Section 14.2. Time to Appeal.

An appeal should be submitted in writing to the Secretary within fourteen (14) calendar days after notice of the underlying decision, unless a different period is established by policy.

Section 14.3. Appeal Body.

Appeals may be reviewed by the Board of Directors or by an appeal panel composed of disinterested persons authorized by the Board.

Section 14.4. Appeal Outcome.

The appeal body may affirm, modify, reverse, or remand the matter for further review.

ARTICLE 15. NON-DISCRIMINATION AND PROFESSIONAL RESPECT

Section 15.1. Commitment.

The Association is committed to professional respect and fair treatment within its lawful scope of operation. The Association shall not unlawfully discriminate in membership, programs, or activities on the basis of race, color, national origin, ancestry, religion, sex, gender, gender identity, gender expression, sexual orientation, marital status, age, disability, genetic information, military or veteran status, or any other characteristic protected by applicable federal or California law. Nothing in this Section shall prevent the Association from applying legitimate professional,

educational, business, or industry-related eligibility criteria consistent with its mission and selective membership principles.

Section 15.2. Separate Policies.

The Board may adopt separate policies regarding non-discrimination, respectful conduct, anti-harassment, and complaints.

Section 15.3. Consistency with Mission and Standards.

Members and Association representatives are expected to conduct themselves in a manner consistent with the Code of Ethics and standards of professional respect.

ARTICLE 16. LIABILITY LIMITATION AND INDEMNIFICATION

Section 16.1. Limitation of Personal Liability.

To the fullest extent permitted by California law, no director or officer of the Association shall be personally liable to the Association for monetary damages for acts or omissions in the person's capacity as a director or officer, except as otherwise required by law.

Section 16.2. Indemnification.

To the fullest extent permitted by law, including Section 7237 of the California Corporations Code and any successor provision, the Association shall indemnify its directors, officers, committee members, and other agents for acts performed in good faith within the course and scope of their authorized duties on behalf of the Association.

Section 16.3. Advancement of Expenses.

The Board may authorize advancement of expenses for defense of covered persons to the extent permitted by law and subject to such conditions as the Board may require.

Section 16.4. Insurance.

The Association may purchase and maintain insurance for the protection of its directors, officers, committee members, employees, agents, and the Association itself.

ARTICLE 17. AMENDMENTS

Section 17.1. Amendment Authority.

These Bylaws may be amended by the Board of Directors.

Section 17.2. Notice of Proposed Amendment.

Proposed amendments should be circulated to the directors sufficiently in advance of the meeting at which they will be considered, unless waived.

Section 17.3. Required Vote.

Amendment of these Bylaws shall require the affirmative vote of at least two-thirds (2/3) of the directors then in office.

ARTICLE 18. DISSOLUTION

Section 18.1. Dissolution Approval.

The Association may be dissolved only by the vote required under these Bylaws and applicable law.

Section 18.2. Payment of Obligations.

Upon dissolution, the Association shall first satisfy or provide for its liabilities and obligations.

Section 18.3. Distribution of Remaining Assets.

Any remaining assets shall not be distributed to members, directors, officers, or private persons except as permitted by law for documented obligations or lawful compensation. Remaining assets shall be distributed in a manner consistent with applicable law and the purposes of the Association, including transfer to one or more organizations described in Section 501(c)(6) of the Internal Revenue Code or, in the discretion of the Board, to one or more organizations described in Section 501(c)(3) of the Internal Revenue Code, or to a federal, state, or local government for a public purpose, that are purpose-compatible with the Association's mission.

ARTICLE 19. INTERPRETATION; GOVERNING LAW; OFFICIAL LANGUAGE

Section 19.1. Governing Law.

These Bylaws shall be governed by and interpreted under the laws of the State of California and applicable federal law.

Section 19.2. Relationship to Other Documents.

These Bylaws shall be read together with the Articles of Incorporation, Code of Ethics, Professional Standards, Membership Policy, Membership Review Procedure, Cancellation & Membership Termination Policy, and other duly adopted policies of the Association.

Section 19.3. Precedence.

In the event of conflict between these Bylaws and any lower-level policy or manual, these Bylaws shall control unless otherwise required by law.

Section 19.4. Official Language.

The official version of these Bylaws shall be maintained in English. Any translation may be provided for convenience only. In the event of inconsistency, the English version shall control.

CERTIFICATION

I, the undersigned, certify that I am the duly elected and acting Secretary of International Beauty Professionals Association, Inc., a California nonprofit mutual benefit corporation, and that the foregoing Bylaws, consisting of nineteen (19) Articles, were adopted as the Bylaws of the Association by action of the Board of Directors.

Date: _____

Valeriia Kizchuk, Secretary
International Beauty Professionals Association, Inc.