

BYLAWS OF
STUDENTS FOR SENSIBLE DRUG POLICY FOUNDATION
DRAFT TO BE Adopted June 12, 2006

ARTICLE I -- Purpose and offices.

Section 1.01 Purpose.

The Students for Sensible Drug Policy Foundation (hereafter “SSDP” or the “organization”) is a nonprofit corporation formed under the District of Columbia Nonprofit Organization Act organized exclusively for educational purposes within the meaning of section 501(c)(3) of the Internal Revenue Code. SSDP is committed to providing education on harms caused by the War on Drugs, working to involve youth in the political process, and promoting an open, honest, and rational discussion of alternative solutions to our nation’s drug problems.

Section 1.02 Location of offices.

The principal office of Students for Sensible Drug Policy shall be located within or without the District of Columbia at such place as the Board of Directors shall from time to time designate, which shall be known as the “national office.” The Organization may maintain additional offices at such other places within or without the District of Columbia as the Board of Directors may designate.

ARTICLE II – Board of Directors.

Section 2.01 Powers of the Board.

The business and affairs of the Organization shall be managed under the direction of the Board of Directors (or the “Board”). Members of the Board are hereafter called “Directors.”

Section 2.02 Number of Directors.

The number of Directors constituting the entire Board of Directors shall be not less than three nor more than twenty-one. The number of Directors may be increased or decreased by the affirmative vote of a two-thirds majority of the Board of Directors. No reduction in the size of the Board shall affect the tenure of office of any incumbent Director.

Section 2.03 Term of Directors.

(a) Each Student Director shall serve a term of approximately two years commencing with the Annual Meeting. Student Directors may be re-elected to subsequent two-year terms. Appointed Directors shall be appointed for a term of one or two years as the Board may decide for each Appointed Director at the time

of appointment. There is no limit on the number of terms a Director may serve. The Secretary of the Board shall record the dates on which Directors are elected.

(b) (1) For a period of ninety days after the term expires, former Directors shall be available to consult with the Board at meetings and otherwise.

(2) In the event that the Executive Director declares an intention to resign, or the position otherwise becomes vacant, and the process for selecting and hiring a permanent replacement for the Executive Director cannot reasonably be completed before the Election of Directors and Alternates as set forth in Section 2.05, the terms of Directors then serving (including Appointed Directors) shall continue until the Board completes the process of selecting and hiring a permanent Executive Director. Such Directors shall continue to serve with Directors elected pursuant to Section 2.05. However, in the election of officers pursuant to Section 6.01, the directors whose terms are extended by this paragraph shall not be eligible to serve or to vote. At the conclusion of the process of selecting and hiring the Executive Director, the Board shall adopt a resolution declaring the process concluded, and the terms of Directors extended by this paragraph shall terminate.

(c) If a Director's term expires and a successor has not been elected, the Director shall continue to serve –

(1) if a Student Director, until the Director's successor is elected at the next Congress, or if an Appointed Director, until the Director's successor is elected at the next Board Meeting at which Appointed Directors are elected ; or

(2) until the Board eliminates the directorship by reducing the size of the Board of Directors.

(d) The membership of the Board of Directors will have staggered terms so that roughly one-half of the elected Directors seats will terminate each year. If due to resignations or other reasons, the staggered membership of the board becomes unbalanced, the board may provide that some number of the Directors to be elected at a Congress or to be appointed by the Board shall serve terms of only one year.

Section 2.04 Qualifications.

(a) At least two-thirds of the sitting Directors must be students elected by Congress. A "student" is an individual accepted, enrolled, or committed to enrolling within one year of election, in a college, university, post-secondary educational institution, or other educational institution as determined by the Board, either full- or part-time; or a full-time student at a private or public high school.

(b) A student elected to the Board who becomes a non-student may remain on the Board for the remainder of his or her term, and shall continue to be counted as student Director. Such Directors of the Board may not be re-elected as a student Director of the Board, unless they commit in writing before their term expires to enroll, within one year of re-election, in an accredited post-secondary educational institution, either full- or part-time.

(c) Up to one-third of the sitting Directors may be appointed to the Board by the Board pursuant to section 2.05(d). Individuals are eligible for appointment by the Board if they bring some area of expertise to the Organization, including, but not limited to, experience serving on non-profit boards, working or volunteering for drug policy reform, raising funds, networking with prominent individuals and institutions, substantial service to SSDP, or other expertise. Students, whether they have served as student Directors or not, may be appointed to the Board by the Board.

Section 2.05 Election of Directors and Alternates.

(a) (1) As stated in Article IV, the Congress shall elect the student Directors of the Board of Directors. At each annual national Congress, the Congress will elect the number of Student Directors to fill the vacant Student Director seats on the Board. Vacant seats means the seats of those directors whose terms are expiring, adjusted, if necessary, by any change in the size of the Board. The vacant Student Director seats shall be filled by an equivalent number of candidates who receive the greatest number of votes cast by the chapter representatives voting at the Congress.

(2) The three candidates for student directors who receive the greatest number of votes cast, after candidates who have been elected to fill the vacant seats, shall be elected Alternate Directors. Alternate Directors shall serve for one-year, until the election of new Alternate Directors by the succeeding Congress, unless they fill a vacant Student Director seat pursuant to section 2.06(a) in which case they shall serve as a Director for the remainder of the term of the Student Director replaced. The Board may adopt a resolution providing that Alternate Directors shall receive communications regarding Board business.

(3) The Board shall appoint an election committee to carry out the process of nominating and electing Student Directors and Alternate Directors at the Congress.

(b) The election committee shall draft procedures for the election of Student Directors at the Congress. Pursuant to such procedures the election committee shall –

(1) at least two months in advance of a Congress issue a notice to Chapters that they may nominate candidates for the Board;

(2) confirm the willingness of nominees to serve as a Director or Alternate Director;

(3) obtain a statement from nominees to provide to the Congress about the nominees' qualifications, reasons for serving, and objectives for board service;

(4) notify the Chapters of the slate of nominees and each nominee's statement in advance of the Congress; and

(5) notify nominees and Chapters of the committee's procedure for introduction of candidates at the Congress, for voting, and for a fair count of the votes.

(c) The election committee shall conduct the election and report the tally of the vote to the Chair; and the Chair shall report the vote to the Congress.

(d) Following the Congress, the student directors shall meet to elect any Appointed Directors. Appointed directors may be students, but are not to be counted as students for the purposes of these bylaws.

(e) The Executive Director shall serve on the board and count as an Appointed Director. The Executive Director's term on the board shall expire when he or she leaves the office of Executive Director. The Executive Director may not serve as an officer of the Board as described in Article VI.

(f) The Chair of the Advisory Council elected pursuant to Article VIII shall serve on the board *ex officio*, but shall not be eligible to vote or to be counted for purpose of a quorum.

Section 2.06 Vacancies and Newly Created Directorships.

(a) A vacancy among the student Directors on the Board of Directors created by resignation, removal, disability or death shall be filled by Alternate Director One at the next meeting of the Board. Subsequent vacancies, if any shall be filled in the same manner, by Alternate Directors Two and Three. An Alternate Director shall be promptly notified of the vacancy and shall receive all board communications upon the creation of the vacancy. An Alternate Director who fills a vacancy shall serve for the remainder of the term of the director whose departure from the board created the vacant position. Any additional vacancies among

Student Directors that occur more than 30 days before a Congress shall be filled by the Board by electing a student to serve until the next Congress.

(b) Any vacancy resulting from an increase in the number of directors may be filled by the Board of Directors at any annual, regular or special meeting. Expansion of the board does not automatically seat Alternate Directors.

Section 2.07 Disqualification and Removal of Directors.

(a) A Student Director elected to a two year term on the qualification of making a commitment to enroll in school within one year shall report to the Board one month prior to the Congress that such enrollment has been made. If such enrollment has not been made, the seat shall then become vacant and shall be filled by election at the Congress.

(b) A Director may notify the Chair of the Board that he or she will offer a resolution to remove another Director. At any time, it is in order for the Board to consider and adopt such a resolution to remove a Director, with or without cause, by a three-fourths vote of the Directors, provided that --

(1) notice of the proposed action is provided to all Directors at least two weeks prior to the day such resolution is proposed to be considered;

(2) at least three-fourths of all the Directors then serving participate in the Meeting at which the action is considered; and

(3) that the Director against whom the removal resolution has been filed is allowed to fully participate in the Meeting.

Section 2.08 Resignation.

A Director may resign at any time by providing written notice to the Board Chair or Secretary. Any resignation shall take effect at the time received, unless another time is specified in such notice. Unless otherwise specified in the notice of resignation, no acceptance of such resignation shall be necessary to make it effective.

Section 2.09 Quorum of Directors and Action by the Board.

Unless a greater proportion of the Board is required by law, by the Articles of Incorporation, or by another provision of these bylaws, 50 percent plus one of the Board of Directors then in office shall constitute a quorum for the transaction of business. Except as otherwise specifically provided by law or these Bylaws, all actions of the Board are valid if approved by a vote of 50 percent plus one of the Directors voting.

Section 2.10 Meetings of the Board.

(a) An Annual Meeting of the Board of Directors shall be held each year in November near the place of the meeting of the annual Congress, as soon as possible after the Congress as is reasonable, for the transaction of such business as may properly come before the meeting. Student Directors whose terms are expiring at this time shall continue in office until the third to last item of business. The second to last item of business shall be the appointment of Appointed Directors pursuant to section 2.05(d). The last item of business at the Annual Meeting shall be the election of Officers for the next year.

(b) Regular meetings of the Board shall be held at such times and places as may be fixed by the Board.

(c) Special meetings of the Board may be held at any time whenever called by the Chair of the Board, or if the Chair is vacant, by the Vice-Chair, or by a request of one-third of the directors.

(d) Regular and special meetings of the Board may be held at any place as provided in the notice of meeting.

(e) The Chair of the Board shall ensure that an officer of the Board of Directors clearly notifies all Directors about time, place and means of each Board meeting by email, telephone, letter, or other form of communication. Notice of the annual meeting and regular meetings shall be made at least thirty days before the date of the proposed meeting. A special meeting may be convened no less than forty-eight hours before notice has been directed to the last Director to be notified.

Section 2.11 Meetings of the Board by telephone conference or other means.

Meetings of the Board may be held in part or entirely by telephone conference call, live video conference, or other communications technology, as long as all Directors participating can simultaneously communicate with each other in real-time.

Section 2.12 Compensation of Directors.

The Organization shall not pay any compensation to directors for services rendered to the Organization as directors. However, directors may be reimbursed for actual expenses reasonably incurred in the performance of their duties to the Organization, upon approval by the Board.

ARTICLE III – Chapters

Section 3.01 Chapter Qualification, Approval and Reporting.

(a) The Organization shall grant Charters to groups the privilege of identifying themselves as "chapters" of Students for Sensible Drug Policy. A group may be recognized as an SSDP chapter if –

(1) it is an organized group of persons, one of whom must be a student (as defined in section 2.04); and

(2) (A) is recognized by the administration of a school as an established group,

(B) at least one member of the group attended an SSDP conference, or

(C) the group's activity merits chapter status.

(b) A school is defined as a college, university, post-secondary educational institution, a private or public secondary school, or other educational institution as determined by the Board.

(c) The Board may delegate to the Executive Director the authority to develop further qualifications for chapters, a process to review applications for chapter status, and to charter chapters. No school may designate a group as a chapter of SSDP independently of an action by the Organization. No group may call itself a chapter of the Organization unless it has received notification from the Organization.

(d) Every spring, in a manner requested by the Executive Director, Chapters shall report to the Organization on their activities, identify the chapter leadership for the fall, and provide contact information for chapter leadership for the summer.

(e) No group or chapter has any right to use the name Students for Sensible Drug Policy or SSDP unless authorized by the Organization.

Section 3.02 Chapter policy guidelines, legal status and revocation of charters.

(a) Chapters are encouraged to adopt guidelines regarding organizational purposes and activities, for democratic governance of the chapter, against discrimination, against the use of violence, and regarding such other policies as required by the Organization. A group's acceptance of recognition as a chapter is also an acceptance of the right of the Organization to take any necessary steps to inquire into the practices and finances of any chapter to assure that a chapter is fully complying with the Bylaws and policies of the Organization, and all legal requirements.

(b) Chapters are not legal subsidiaries of the Organization. Chapters are independent legal entities. The Organization assumes no liability for the debts, contracts, actions, business affairs or other activities of any chapter. Chapters in their business affairs shall notify all parties with whom they conduct business that they are acting as independent legal entities and that the Organization is not and cannot be bound by any chapter, nor can the Organization be liable for any debts, acts of negligence, misconduct, or other actions undertaken by any chapter, unless the Board has specifically authorized such action.

(c) The Organization may take any necessary steps to inquire into the practices and finances of any chapter to assure that a chapter is fully complying with the Bylaws and policies of the Organization, and all legal requirements.

(d) The Organization may delegate to the Executive Director the authority to revoke any group's Charter, Chapter status and privilege to use the name "Students for Sensible Drug Policy," "SSDP," or any of its trademarks, if the Executive Director determines –

(1) that a chapter is not upholding the mission and values of the Organization,

(2) if a chapter engages or has engaged in any conduct that brings discredit to the Organization, or

(3) for any other reason.

(e) A chapter may appeal a decision to revoke its charter to the Board by notifying the Chair. The Board shall schedule a meeting to be held within 30 days of receipt of such notice to consider the appeal, and its action shall be conclusive. Other than such appeal, no chapter has a right to any other hearing or other procedure to challenge any action by the Organization to revoke a group's status as a chapter.

Section 3.03 Power of Chapters.

Each recognized Chapter is permitted one vote in the sessions of the Organization's annual national Congress. The Organization may set forth a procedure for chapters to select their representative to speak and cast votes in the national Congress.

Section 3.04 No Chapter Dues.

The Organization shall not require Chapters to pay dues to the Organization in the form of money or other services.

Article IV – Congress

Section 4.01 Annual Congress – time, place and quorum.

The Organization shall have an annual national Congress composed of members from each recognized Chapter. The time and place of the Congress (usually to be held in November) shall be determined by the Board of Directors. A quorum for the Congress shall be a minimum of ten chapters, unless there are less than twelve chapters recognized by the Organization in which case a quorum shall be composed of representatives of three-quarters of the authorized chapters. The Congress shall be chaired by the Chair of the Board of Directors. The Board of Directors shall authorize the agenda, and set forth the procedure for governing the meetings of the Congress and any committees of the Congress. Any questions of procedure not specifically addressed by the Board's rules for the Congress, shall be resolved by following the *Standard Code of Parliamentary Procedure*, Third edition, revised by the American Institute of Parliamentarians, or any subsequent edition.

Section 4.02 Powers of Congress.

(a) Congress shall, by resolution, recommend those matters to be part of the Organization's national agenda.

(b) Congress shall elect students to serve on the Organization's Board of Directors pursuant to Article II.

(c) Congress may nominate persons to be considered by the student Directors of the Board for appointment to the board pursuant to Section 2.05(d). Nominations shall be accompanied by a statement of qualification of the nominee.

ARTICLE V – Members.

Section 5.01 Regular members.

In addition to members of Chapters, any person may become a Regular Member of SSDP by paying an annual contribution to the national office. Members under this Article shall have no voting rights or power to participate in the management of the Organization.

Section 5.02 Honorary members.

The Board of Directors may from time to time establish honorary titles for persons who may make contributions to the Organization. Such titles may include the word "member" but inclusion of such term shall not give any such person legal rights as a member of the Organization. Such members are encouraged to make financial contributions to support the Organization.

ARTICLE VI – Officers

Section 6.01 Officers of the Board.

At the conclusion of the Annual Meeting, the Board of Directors shall, from among the Directors, elect a Chair, Vice-Chair, Secretary and Treasurer, whose powers and duties are set forth in section 6.05, and may create and elect such other officers as it considers desirable. Any two or more offices, except those of Chair and Secretary, may be held by the same person. An officer is elected by a vote of 50% plus one of those Directors voting. The election of an officer shall not itself create contracts. The officers shall carry out their duties always subject to the supervision and authority of the Board.

Section 6.02 Term of Office and Removal.

(a) Each officer shall hold office for a term of approximately one year and until his or her successor has been elected. Unless otherwise provided by resolution, all officers shall be elected at the first meeting of the Board following a Congress.

(b) A Director may notify the Chair of the Board that he or she will offer a resolution to remove an officer alleging that the best interests of the Organization will be served by such removal. At the next meeting of the Board, it is in order at any time for the Board to consider and adopt such a resolution to remove an officer. If the officer proposed to be removed is the Chair, the Chair shall appoint the Secretary to chair the meeting for the purpose of considering the resolution, unless the Secretary is the author of the resolution. If the Secretary is unavailable or declines, then the Chair may appoint any other director to chair the meeting for the consideration of the resolution. The officer proposed to be removed shall be allowed to fully participate in the consideration of the resolution. The resolution, to carry, shall be adopted by a vote of at least three-fourths of those Directors voting, provided that –

(1) notice of the proposed action is provided to all Directors at least two weeks prior to the day such resolution is proposed to be considered; and

(2) at least three-fourths of all the Directors then serving participate in the Meeting at which the action is considered.

(c) The Chair, if removed, shall be replaced by the Vice Chair. Any other vacancies created by removal or elevation of officers shall be filled by the board as soon as possible pursuant to section 6.01. Such removal will be without prejudice to any contract that may exist between the officer and the organization. Removal from office is not a removal from the board.

Section 6.03 Resignation.

Any officer may resign at any time by giving written notice to the Chair. Unless otherwise specified in the written notice, the resignation shall be effective upon delivery to the Organization. The Chair, if he or she resigns, shall be replaced by the Vice Chair. Any vacancies created by resignation or elevation of officers shall be filled by the board as soon as possible pursuant to section 6.01.

Section 6.04 Executive Committee.

The Chair, Vice Chair, Secretary, and Treasurer shall constitute the Executive Committee. The Executive Committee shall have the authority to perform any duties in the management of the Organization with the power and authority of the Board when the board is not in session. All actions taken by the Executive Committee shall be reported to the Board within two business days.

Section 6.05 Powers and Duties of Officers.

(a) Chair.

The Chair shall preside at all meetings of the Board of Directors and the Congress. Subject to the supervision of the Board, the Chair shall perform all of the duties customary to that office and shall supervise and control all of the affairs of the Organization in accordance with policies of the Board. The Chair, or the Chair's designee, shall provide a report to the Chapters after each in-person Board meeting, or other Board meeting in which significant decisions were reached.

(b) Vice-Chair.

In the absence of the Chair, or in the event of an inability or refusal of the Chair to serve, the Vice-Chair shall perform the duties of the Chair, and, when so acting, shall have all the powers of the Chair. The Vice-Chair shall perform such other duties and have such other powers as the Board or Chair may direct.

(c) Secretary.

The Secretary shall keep an accurate record of the meetings of the Board and the actions taken by the Board. The Secretary shall cause all required notices of meetings to be made in accordance with these Bylaws or as required by law, and in general, shall perform all duties customary to the office of Secretary.

(d) Treasurer.

The Treasurer shall supervise the custody and proper handling, accounting and administration of all funds and securities of the Organization. The Treasurer shall keep, or cause to be kept, and oversee complete and accurate accounts of receipts and disbursements of the Organization, and the deposit of all the funds of

the Organization in the name and to the credit of the Organization in such banks as the Board may designate. The books and records of accounts shall be kept at the National Office, or if that is impractical, at such other place determined by the Board, and shall be available for inspection by the Treasurer at any reasonable time. The Treasurer shall be able to exhibit the books and accounts to any officer or Director of the Organization, and shall perform all duties incident to the office of Treasurer. Whenever required by the Board, the Treasurer shall provide a statement of accounts.

Article VII – Employees and Staff.

Section 7.01 Staff

(a) Executive Director.

The Board may create a position of “Executive Director,” to serve as chief executive of the Organization. The Board may employ a person to serve as Executive Director. The Board may delegate the authority to conduct the business of the Organization to appropriate employees (hereinafter referred to as "Staff"). The Board may authorize the Executive Director to carry out the policies of the Organization, to conduct the business of the Organization, to hire staff, to enter into contracts and agreements, to lease real property for offices, to purchase or lease office equipment and office supplies, to open bank accounts, make deposits, sign and endorse checks on behalf of the Organization, to organize conferences, to enter into coalitions, and otherwise have all of the powers of a chief executive necessary to carry out the duties of chief executive of the Organization.

(b) Other staff.

The Executive Director may hire staff and commit to paying compensation necessary to obtain the services of qualified persons, so long as such compensation is not excessive when compared to non-profit corporations of the Organization's stature in the same labor market. The Executive Director shall supervise and review the performance of all staff, and may discharge any staff at his or her discretion, pursuant to law. The Board retains the authority to discharge any staff, pursuant to law, under the most exigent circumstances.

Article VIII – Advisory Council.

The board may create an Advisory Council. The Board may name to the advisory council individuals whose prominence and expertise qualifies such persons to assist the Organization. The Executive Director shall from time to time recommend to the Board persons appropriate to serve on the advisory council.

Members of the advisory council shall carry out such responsibilities and provide such advice and services as requested by the Board. The Board shall elect a member of the advisory council to serve as chair of the advisory council. The Board may remove any person from the Advisory Council at any time for any reason, with or without cause.

ARTICLE IX – Miscellaneous.

Section 9.01 Non-Discrimination.

SSDP will promote the full participation of persons in all of its activities without regard to race, color, sex, disability, affectional or sexual orientation, political affiliation, age, neuropharmacological variance, or national origin and without requiring adherence to any particular interpretation of religion or to any particular religious belief or creed.

Section 9.02 Parliamentary Authority.

Any questions of procedure not covered by these bylaws shall be resolved by following the *Standard Code of Parliamentary Procedure*, Third edition, revised by the American Institute of Parliamentarians, or any subsequent edition.

Section 9.03 Fiscal Year.

The fiscal year of the Organization shall be the calendar year.

Section 9.04 Checks, Notes, Contracts.

The Board of Directors shall determine, and annually review, who shall be authorized, on the Organization's behalf, to sign checks, or other orders for payment of money; to sign acceptances, notes, or other evidences of indebtedness; to enter into contracts; and to execute other documents and instruments.

Section 9.05 Books and Records.

The Organization shall keep at its principal office (and, if it does not have its principal office in the District of Columbia, at its registered office in the District of Columbia) correct and complete books and records of account, the activities and transactions of the Organization, minutes of the proceedings of the Board and any committee of the Organization, and a current list of directors and officers of the Organization and their residence addresses. The books, minutes and records of the Organization shall be in written form or in any other form capable of being converted into written form within a reasonable time.

Section 9.06 Amendment of Articles of Incorporation and Bylaws.

(a) The Articles of Incorporation of the Organization may be adopted, amended or repealed by an affirmative vote of at least two-thirds of the Directors then in office. The Bylaws of the Organization may be adopted, amended or repealed by an affirmative vote of at least two thirds of the Board of Directors then in office.

(b) The actions in subsection (a) of this section may be taken only upon the delivery of the proposed Bylaws, Articles of Incorporation, or amendments thereto, to all Directors at least 48 hours in advance of the meeting at which such action is proposed to be taken. The requirement of this notice does not apply to any perfecting or other amendments made in the course of considering the proposed Bylaws, Articles of Incorporation, or amendments thereto, which had been submitted to the board 48 hours in advance of the meeting.

Section 9.07 Indemnification and Insurance.

(a) Unless prohibited by law, the Organization may indemnify any director, officer or employee, any former director or officer, or any person who may have served at its request as a director or officer of another Organization, whether for profit or not for profit, against any and all expenses and liabilities actually and necessarily incurred by him or her, or imposed on him or her in connection with any claim, action, suit, or proceeding (whether actual or threatened, civil, criminal, administrative or investigative, including appeals) to which he or she may be or is made a part by reason of being or having been such director, officer, or employee; subject to the limitation that there shall be no indemnification in relation to matters as to which he or she shall be adjudged in such claim, action, suit or proceeding to be guilty of a criminal offense or liable to the Organization for damages arising out of his or her own gross negligence or misconduct in the performance of a duty to the Organization. Amounts paid in indemnification of expenses and liabilities may include, but shall not be limited to counsel fees and other fees, costs and disbursements and judgements, fines and penalties against, and amounts paid in settlement by such director, officer or employee. The Organization may advance expenses to, or where appropriate may itself, at its expense, undertake the defense of any director, officer or employee; provided, however, that such director, officer or employee shall undertake to repay or to reimburse such expense if it should be ultimately determined that he or she is not entitled to indemnification under this Article. The provision of this Article shall be applicable to claims, actions, suits or proceedings made or commenced after the adoption hereof, whether arising from acts or omissions to act occurring before or after adoption hereof. The indemnification provided by this Article shall not exclude the applicability of any other rights to which such director, officer, or employee may be entitled under any

statute, Bylaw, agreement, vote of the Board of Directors, or otherwise, and shall not restrict the power of the Organization to make any indemnification permitted by law.

(b) The Board of Directors shall direct the purchase of insurance on behalf of all directors, officers, employees, or other agents against any liability that may be asserted against or incurred by him or her which arises out of such person's status as a director, officer, employee or agent, or out of acts taken in such capacity, whether or not the Organization would have the power to indemnify the person against that liability under law.

(c) In no case, however, shall the Organization indemnify, reimburse , or insure any person for any taxes imposed on such individual under chapter 42 of the Internal Revenue Code of 1986 as now in effect or as may hereafter be amended (the "Code"). Further, if at any time the Organization is deemed to be a private foundation within the meaning of section 509 of the Code then, during such time, no payment shall be made under this Article if such payment would constitute an act of self-dealing or a taxable expenditure, as defined by sections 4941(d) or 4945(d), respectively, of the Code.

(d) If any part of this Article shall be found in any action, suit, or proceeding to be invalid or ineffective, the validity and the effectiveness of the remaining parts shall not be affected.

Section 9.08 Loans to Directors, Officers and Employees.

The Organization shall not make any loans to officers or directors.

Section 9.09 Dissolution of the Organization

(a) The Board of Directors may dissolve the Organization by a vote of at least four-fifths the Directors then in office, provided that

(1) the motion has first been made at a meeting immediately prior to the Meeting on which it will be voted,

(2) at least two weeks' notice of the proposed action is provided to all Directors, and

(3) there is a special quorum of at least three-quarters of the Directors then in office at the Meeting at which the action is considered. The two-week notice in section 9.09 (a)(2) may not be waived, and the Meeting must take place in person or via telephone conference call.

(b) No resolution to dissolve the Organization is in order unless it is accompanied by an up-to-date financial report, and a proposal for the distribution of the assets and property of the Organization, pursuant to law.

(c) In the event of the liquidation, dissolution, or winding up of the affairs of the Organization, whether voluntary, involuntary, or by operation of law, the Board of Directors shall, except as may be otherwise provided by law and specified in the Articles of Incorporation, transfer all of the assets of the Organization as directed by an affirmative vote of a majority of the Directors attending the meeting.

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These Bylaws were adopted in their entirety, pursuant to notice, a quorum being present, at a regular meeting of the Board of Directors of the Students for Sensible Drug Policy Foundation, on June 12, 2006.

Secretary