

VALHALLA BYLAWS SUMMARY OF PROPOSED CHANGES

The proposed new bylaws accomplish the following:

Brings Valhalla Tahoe in compliance with current California law

Changes the membership from statutory to honorary.

Organizes the Board of Directors by describing number of Directors duties and responsibilities, terms and meeting protocols.

Describe organization and responsibilities of officers

Describes organization and responsibility of committees

Because of the administrative burdens associated with statutory membership structure, most nonprofits choose to have non-statutory/honorary memberships instead. Under a non-statutory membership structure, directors vote to elect , remove, and replace directors and officers. Members may receive a benefit such as a discount but they do not have voting rights, cannot amend bylaws, nor have the right to bring a derivative suit.

Valhalla is currently structured as a statutory membership organization. In a statutory membership organization members are afforded the board legal rights, including the right to elect or remove directors, amend the bylaws and fill any vacancies on the board, inspect the books and records,, receive annual organizational disclosures, and have standing to bring a derivative lawsuit for breach of fiduciary duties.