

[insert client logo]

Member Information Statement

[insert date mailed]

Dear [Client] member:

On behalf of the Client Board of Directors, I am writing to provide information about an upcoming member vote and to seek your approval on the matter.

As you know, Client members are entitled to a number of benefits, such as newsletter subscriptions, recognition in certain Client publications, and rights to use Client's [_____] trademark. These benefits vary based on the type and level of your membership. In addition, certain members are entitled to vote on particular matters, such as the appointment of directors to our Board or certain amendments to our bylaws. These voting rights are set out in our bylaws.

After careful consideration, the Client Board has determined that it is in Client's best interest to take steps to modernize our governance arrangements. The Board recommends that we convert our current complex member voting structure into the more streamlined model commonly used by California nonprofit corporations, including those active in [_____] and [_____]. Through this transition, members would retain their membership benefits, but would no longer be entitled to elect directors to the Client Board. Further information about the proposal is described in the Q&A that follows. More broadly, there will be no changes in Client's core mission, principals, or goals. We will continue our longstanding commitment to supporting our members, asking for their feedback, and preserving their important role in shaping our organization.

To effect this change, Client members need to approve an amendment to Client's bylaws. A copy of proposed new bylaws is attached to this document. The Board has already approved these new bylaws, and recommends that all members vote in favor to do so as well. [*Note to Client: Make sure to attach a copy of the bylaws when you distribute this document.*]

This Member Information Statement contains further information about the proposal, including how to vote. We recommend that you review it carefully before making your decision. On or about [insert approximate date, within 45-90 days ahead], we will send a ballot to you via e-mail and would appreciate your prompt response.

Thank you for your attention to this matter. [If you have any questions, please feel free to contact _____.]

Very truly yours,

[name]
Executive Director

Questions and Answers about the Vote

The following questions and answers are intended to briefly address some commonly asked questions regarding the upcoming membership vote.

Q: Why am I receiving this document?

A: As of [*insert record date*], you are a member of Client in good standing and are entitled to vote on certain matters affecting Client, as provided in Client's bylaws. [*Note to Client: The Board may set a separate "record date" for determining members entitled to receive this notice. We recommend that this record date match the date that this document is distributed.*]

The California Nonprofit Corporation Law requires that nonprofits provide written notice to their members within 45-90 days prior to a vote on any amendment to the nonprofit's bylaws that would materially and adversely affect members' voting rights. This document is intended to serve as the required notice and provides additional information about the proposal.

Q: Why is the Board making this proposal?

A: The member voting structure currently in place has been a part of Client's bylaws since its inception. While robust early on, member participation in voting has declined steadily over the years. Client has had difficulty in achieving the required 10% quorum for membership voting. During our last director election, only about [_____] of the over [_____] members voted. At the same time, our model is more complex and procedure-heavy than the model used by most California nonprofits, including other organizations involved in [_____] and [_____]. [*Note to Client: Identify here some of those organizations if that would help make the case to your members.*]

Our Board places a priority on our membership program and the support of our members. The Board has determined that modernizing our structure will enable us to make decisions and take actions with greater speed and at lower cost, while still preserving the essential features and benefits of our membership program.

Q: What am I being asked to vote on?

A: Client is asking you to vote to approve an amendment to Client's bylaws. A copy of the proposed new bylaws is attached to this document. The effect of this amendment is to remove the members' right to:

- elect directors to the Board
- remove directors from the Board, with or without cause
- approve any amendment to Client's Articles of Incorporation, subject to some limited exceptions
- approve any amendment to Client's bylaws which materially and adversely affects member voting rights
- approve any merger, disposition of substantially all of Client's assets, or dissolution of the corporation, and
- inspect Client's Articles of Incorporation, bylaws, accounting books and records, or minutes of Board, Board committee or member meetings.

As a consequence, the Board would have sole authority to appoint new directors and approve the items noted above.

Please note that the proposed new bylaws also include a number of technical and other changes that do not affect members' voting rights.

Q: If the amendment is approved, how will it affect my membership?

A: Approval of the amendment will have no effect on other membership features. If you have paid your annual dues, you will continue to receive all other member benefits, including newsletter subscriptions, recognition in certain Client publications, and [_____] benefits. These benefits vary based on the type ([_____] , [_____] , [_____]) and dollar level of your membership. Client intends to continue to maintain strong relationships with its members through member communications and involvement in its programs. If the amendment is approved, members would no longer be asked to attend member meetings or return ballots for the purpose of electing directors or voting on other corporate matters. Members, as well as chapters, would not be entitled to elect directors directly to the Client Board.

If you are a member of an active Client chapter, your involvement in that chapter will continue in effect.

Q: How will the Board be selected in the future if the amendment is approved?

A: The Board will elect all new directors. Under a Board composition policy to take effect upon approval of the amendment, the Board's Governance Committee would seek input from chapters and other Client constituents with a stated goal of maintaining the historic and substantial presence of [_____] on our Board as well as individuals active in our chapters and in communities around the entire state.

Q: Does the Client Board recommend that I approve the amendment to Client's bylaws?

A: Yes. The Client Board of Directors [unanimously] recommends that all members vote "FOR" the amendment to Client's bylaws.

Q: How do I cast my vote?

A: On or about [insert approximate date, within 45-90 days ahead], Client will send a ballot to you via email. This email will include instructions for returning the ballot to Client using a survey website that Client has used for member votes in the past. The ballot and the email will set out the date voting closes.

Q: Who is entitled to vote?

A: Only those members who have paid their annual dues as of the date that Client sends the ballot may vote. [Note to Client: The Board may set a "record date" for determining which members are entitled to vote. This date must fall within 60 days of ballots being sent. We recommend that this record date match the date that the ballot is sent. Choosing not to set a record date, and sending ballots, automatically sets the record date to the day the ballot is sent. We reflected this approach above.]

Q: What vote is required?

A: Each member is entitled to one vote. The proposal to amend the bylaws will be approved if:

- the number of ballots cast represents at least 10% of the memberships, and
- the number of "FOR" votes represents a majority of total ballots cast.

As of [mailing date] there are [total active membership] active members of Client, meaning that the proposal will be approved if at least [10% of total membership] votes are cast and a majority of the votes cast are "FOR" the proposal. Promptly following the deadline for returning ballots, Client will tally the votes and, if the proposal succeeds, the amendment to the bylaws will take effect immediately.

Client reserves the right to extend the deadline for returning ballots and, if it does so, will notify members via email of the new deadline.

Q: *Can I revoke my vote after it is cast?*

A: If you return a ballot to Client but later decide to change your vote, you must first notify the Secretary of Client [at _____@_____.org] in writing prior to the voting closing date. After the voting closes, you may not change your vote.

Q: *What should I do now?*

A: Please read and carefully consider the information contained in this Member Information Statement. Please ensure that you are able to receive email from [_____@_____.org] and that filters or anti-spam software will not block messages from this address.

Q: *Whom should I contact if I have questions?*

A: You may contact [name] at [(____) ____ - ____] or [_____@_____.org] with any further questions about the proposal.

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Our membership has been, and will always be, the core of our organization. The Board of Directors would like to thank you for your continuing support of Client. We welcome and appreciate your feedback and inquiries regarding this or any other topic.