

CENTER FOR NATURAL LANDS MANAGEMENT

POLICY ON ASSIGNMENT OF RIGHTS AND OBLIGATIONS AND TRANSFER OF ASSETS IN THE EVENT OF DISSOLUTION OR DISCONTINUANCE OF BUSINESS

Adopted on July 23, 2009 via Resolution 154-09
Revised March 30, 2014 via Resolution 218-14

Preamble

The Center for Natural Lands Management (CNLM), a public benefit organization, manages lands with their native species and ecosystem functions as its primary mission. The *Bylaws of the Center for Natural Lands Management, a California Nonprofit Public Benefit Corporation*, adopted, amended, and on file with the California Secretary of State (Bylaws), provide, in pertinent part at Article VIII ("Dissolution"), the following:

The assets of the Corporation are irrevocably dedicated to exempt purposes as defined in Section 23701(d) of the California Revenue Taxation Code and Section 501(c)(3) of the Internal Revenue Code. Upon dissolution and after payment of all liabilities and debts of the Corporation, all assets of the Corporation shall be distributed to an organization which is exempt under Section 501(c)(3) of the Internal Revenue Code or to the state or to a state government for public purposes. The distribution of assets shall be made by Board resolution designating such organization. In no case may any of the assets of the Corporation inure to the benefit of any director or any other individual.

The implementation of this CNLM's *Assignment of Rights and Obligations Transfer of Assets in Event of Dissolution or Discontinuance of Business Policy* must be consistent with (a) California Government Code §65965; (b) United States Internal Revenue Code and California Revenue and Tax Code provisions relating to non-profit stewardship organizations; (c) Bylaws; (d) corporation, conservation, charitable trust, contract, and real and personal property law; (e) contractual and trustee obligations, and (f) CNLM conflicts of interest policy.

Policy

Where incorporated: California. In the event that CNLM is dissolved as a legal entity or otherwise cease to operate as a non-profit within the State of California, CNLM shall (in consultation with the California Attorney General and after all proper and necessary payments of, or provision for payment of, all CNLM debts and liabilities of the organization are satisfied, including all costs associated

with complying assignment and transfer obligation of this policy) assign all rights and transfer all remaining assets, including real property, personal property, stewardship endowments, trust accounts, and other financial holdings, to a nonprofit organization or organizations organized and operated exclusively for charitable conservation purposes that is/are eligible to hold conservation assets under the existing California and/or federal law.

Where doing business: Washington. In the event that CNLM ceases to operate in the State of Washington as a “nonprofit nature conservancy corporation” or otherwise conduct business therein, the Board of CNLM shall (in consultation with the Washington Attorney General and after all proper and necessary payments of, or provision for payment of, all CNLM debts and liabilities relating to assets and activities in the State of Washington are satisfied, including all costs associated with complying assignment and transfer obligation of this policy) shall retain within CNLM and/or assign all rights and transfer all remaining assets, including real property, personal property, stewardship endowments, trust accounts, and other financial holdings, to a nonprofit organization or organizations organized and operated exclusively for charitable conservation purposes that is/are eligible to hold conservation assets under the existing Washington and/or federal law.

Exceptions

There are no exceptions to this policy.

Guidelines

There is no necessity to issue implementing guidelines or procedures.