

ARTICLES OF AMENDMENT TO
ARTICLES OF INCORPORATION
OF
DRCNET FOUNDATION, INC.

TO:
DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS
BUSINESS REGULATION ADMINISTRATION
CORPORATIONS DIVISION
614 H STREET, N.W. ROOM 407
WASHINGTON, D.C. 20001

Pursuant to the provisions of the District of Columbia non-profit Corporation Act, the undersigned adopts the following Articles of Amendment to its Articles of Incorporation:

FIRST: The name of the corporation is: DRCNet Foundation, Inc.

SECOND: The following amendment of the Articles of Incorporation was adopted by the Corporation in the manner prescribed by the District of Columbia Non-profit Corporation Act:

Article Third, paragraph one, shall be amended to read as follows:

"The purpose for which the corporation is organized is to heighten public awareness of the consequences of drug policies, including but not limited to the current war on drugs; and to promote rational debate on drug prohibition and alternatives to total prohibition. The corporation is organized exclusively for charitable and education purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code."

Article Seventh, paragraph (a), shall be amended to read as follows:

"No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of these Articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code."

Article Seventh, paragraph (c), shall be amended to read as follows:

“Upon the dissolution of this corporation, its assets remaining after payment of, or provision for payment of, all debts and liabilities of this corporation shall be distributed to a nonprofit fund, foundation, or corporation which is organized and operated to achieve similar purposes to this corporation, for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code. Any such assets not so disposed of shall be disposed of by a Court of Competent Jurisdiction of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.”

In Article Ninth, paragraph one, the phrase “The number of Directors constituting the initial Board of Directors is eight” shall be struck and replaced with “The number of Directors constituting the Board of Directors shall be an odd number greater than or equal to three, except that the number may differ from these requirements following the resignation or removal of any Director”.

THIRD: The amendment was adopted in the following manner: The amendment was adopted at a meeting of the Board of Directors held on _____, and received the vote of a majority of the Directors in office, there being no members having voting rights in respect thereof.

Date: _____

DRCNet Foundation, Inc.

By _____
David Borden, President

ATTEST: _____
Richard Evans, Secretary

ATTACHMENT 6

Attached are the DRCNet Foundation's by-laws, as adopted on July 25, 1997. Following the by-laws are amendments that have been proposed. It has been informally agreed that these amendments, or amendments much like them, will be adopted at the next meeting of our Board of Directors in October.

BYLAWS
of
DRCNET FOUNDATION, INC.
as adopted on July 25, 1997

ARTICLE I. Name

The name of the corporation is "DRCNET FOUNDATION, INC." hereinafter referred to as "the corporation."

ARTICLE II. Purpose

As provided in the Articles of Incorporation, the corporation is organized to elevate public awareness of the negative consequences of drug prohibition policies and to encourage debate on alternative policies.

ARTICLE III. Board of Directors

A. The property, affairs, and business of the corporation shall be managed by the Board of Directors, which shall delegate the responsibility for developing overall policy, control, and administration of the corporation to the executive director.

B. The number of members of the Board of Directors of the corporation shall be eight.

C. The Directors of the Board shall all be at least 18 years of age.

D. The term of office of each Director shall be three years. (Exception: The term of office of each of the original eight Directors of the corporation shall be one, two, three, one, two, one, two and three years respectively.)

E. Terms of Directors shall expire at the conclusion of every annual meeting of the Board of Directors. The first such meeting when a Director's term expires shall be the annual meeting held in March 1998.

F. A vacancy existing by reason of the expiration of a Director's term shall be filled by designation by a two-thirds vote of the Directors at the annual meeting of the Board of Directors. The Board may re-elect a Director whose term is expiring to a new term of office.

G. A vacancy existing by reason of the resignation, death, or removal of a Director before the expiration of his or her term shall be filled by designation by a two-thirds vote of the

remaining Directors. A Director elected to fill a vacant seat on the Board shall serve until the expiration of that term.

H. A Director may resign at any time by giving written notice of resignation to another Director of the Board. Any resignation shall take effect at the time received, unless another time is specified in such notice. Unless specified in such notice, the acceptance of such resignation shall not be necessary to make it effective.

I. The Board of Directors shall by a two-thirds vote choose from among the Directors a Chair of the Board who shall preside at all meetings. Meetings of the Board may be called by the Chair or the Executive Director, unless the Chair or the Executive Director designates another Director to call a meeting.

J. A Director may be removed, for valid cause, by a two-thirds vote of the Directors of the Board at any time by action of the Board, provided that 48 hours' notice of the proposed action is included in the notice of the meeting at which such vote is to be taken.

ARTICLE IV. Meetings of the Board of Directors

A. The Board of Directors may hold its meetings at such places as shall be specified in the meeting notices. Meetings may also be held by telephone conference call or e-mail, following protocols that approximate those used for in-person meetings, or as otherwise designated.

B. Meetings of the Board of Directors shall be held whenever called by the chair of the Board or upon notice signed by a two-thirds majority of the Directors. Advance notice shall be 48 hours, which may be waived by unanimous agreement of the Directors.

C. The Board of Directors shall hold an annual meeting during the month of March.

D. At any meeting, the presence of more than half of the Directors of the Board, disregarding any unfilled vacancies which may then exist, shall constitute a quorum for the transaction of business.

E. Except as otherwise specifically provided by statutes or these bylaws, adopting, changing, or amending these bylaws, or directly relevant policies or practices, shall require a two-thirds vote of the Directors of the Board. However, the Board is not empowered at any time to enact changes to these bylaws, or take other actions, that would bring the corporation into conflict with its original stated purpose.

ARTICLE V. Membership

The corporation shall have no members.

ARTICLE VI. Officers

A. The officers of the corporation shall be the chair, president, vice-president, secretary, and treasurer. The chair and president must be Directors. The vice-president, secretary and treasurer may be Directors.

B. Any two of the positions of president, vice-president, secretary and treasurer may be held by the same person.

C. The term of office of the chair, secretary, and treasurer of the corporation shall be one year, ending at the conclusion of the annual meeting.

D. The officers of the corporation shall be elected by a two-thirds vote of the Board of Directors at the annual meeting.

E. A vacancy existing by reason of the resignation, death, or removal of an officer before the expiration of his or her term shall be filled by designation by a two-thirds vote of the Directors. An officer elected to fill a vacant seat shall serve until the expiration of that term.

F. An officer may resign at any time by giving written notice of resignation to a Director of the Board. Any resignation shall take effect at the time received, unless another time is specified in such notice. Unless specified in such notice, the acceptance of such resignation shall not be necessary to make it effective.

ARTICLE VII. Duties of Officers

A. The chair shall have general supervision over the business of the corporation. The chair shall also call and preside over meetings of the Board of Directors.

B. The secretary shall keep minutes of all proceedings of the Board of Directors.

C. The treasurer shall ensure that the staff of the corporation keep and maintain adequate records of the business transactions of the corporation.

ARTICLE VIII. Staff, Contracts, Loans, Checks, Drafts, Bank Accounts, Etc.

A. The Board of Directors may delegate the hiring, administration, and termination of staff personnel to the executive director of the corporation.

B. The executive director shall be elected by a two-thirds vote of the Board of Directors to serve as an employee of the corporation. The executive director, who may be a member of the Board of Directors, shall have the responsibility for carrying out the overall policy, control, and

administration of the corporation, as determined by the Board of Directors. The executive director is authorized to enter into contracts and agreements, effect loans and advances, sign and endorse checks, and deposit and withdraw funds from the corporation's account or accounts in the name of the corporation, so long as such actions are intended to serve to further the purposes of the corporation.

ARTICLE IX. Advisory Board

A. The executive director may create and develop an Advisory Board for advice on activities relevant to the corporation's purpose.

B. An individual may be added to the Advisory Board by agreement between the individual and the executive director.

C. Advisory Board members may resign from the Advisory Board by providing written notice. Advisory Board members may be removed by the executive director with or without cause by providing written notice.

ARTICLE X. Amendment of Bylaws and Articles of Incorporation

A. These bylaws may be amended or repealed by the Board of Directors at a meeting by a two-thirds vote of the Directors present. Advance notice shall be 48 hours, which may be waived by unanimous agreement of the Directors.

B. The corporation's Articles of Incorporation may be amended, or new Articles of Incorporation adopted, by the Board of Directors at a meeting by a two-thirds vote of the Directors present. Advance notice shall be 48 hours, which may be waived by unanimous agreement of the Directors.

ARTICLE XI. Dissolution of the Corporation

A. The Board of Directors may dissolve the corporation only by a unanimous vote.

B. A resolution to dissolve the corporation must also include an up-to-date financial report and provisions to distribute the assets and property of the corporation.

C. In the event of the liquidation, dissolution, or winding up of the affairs of the corporation, whether voluntary, involuntary, or by operation of law, the Board of Directors shall, except as may be otherwise provided by law, transfer all of the assets of the corporation in such manner as the Directors, in the exercise of their discretion, may by a majority vote determine.

ARTICLE XII. Parliamentary Authority

Robert's Rules of Order, Newly Revised, by Sarah Corbin Robert, shall be used in all cases not covered by these bylaws.

AMENDMENTS TO BY-LAWS
OF
DRCNET FOUNDATION, INC.

as adopted on _____, 1997

Article third, section B, shall be amended to read "The number of members of the Board of Directors of the corporation shall be an odd number greater than or equal to three, except that the number may differ from these requirements following the resignation or removal of any Director".

In Article third, section D, the second sentence shall be amended to read: "(Exception: The term of office of each of the original seven Directors of the corporation shall be one, two, three, one, two, one and two years respectively.)"

Article eleventh, section C, shall be amended to read "In the event of the liquidation, dissolution, or winding up of the affairs of the corporation, whether voluntary, involuntary, or by operation of law, the Board of Directors shall, except as may be otherwise provided by law, transfer all of the assets of the corporation in such manner as the Directors, in the exercise of their discretion, may by a majority vote determine, and in accordance with the Articles of Incorporation and the requirements of section 501(c)(3) of the Internal Revenue Code or any future federal tax code."