

Amended and Restated Bylaws  
of the  
Specialty Coffee Association,  
A California Nonprofit Mutual Benefit Corporation

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## DEFINED TERMS USED IN THIS DOCUMENT

“Nominating Committee” – Section 7.4  
“annual meeting” – Section 7.7  
“Articles of Incorporation” – Section 7.2  
“Board” – Section 7.2  
“Code” – Section 4.2  
“Committees” – Section 8.1  
“Corporation” – Section 1.1  
“Directors” – Section 7.1.1  
“Nonprofit Corporation Law”  
– Section 3.1  
“Officers” – Section 9.1  
“President” – Section 9.5.1  
“Secretary” – Section 9.5.3  
“Super-Majority” – Section 7.11.4  
“Treasurer” – Section 9.5.4  
“Vice President” – Section 9.5.2

**ARTICLE 1 NAME**

Section 1.1 Name  
The name of this corporation is Specialty Coffee Association (the “Corporation”).

**ARTICLE 2 OFFICES**

Section 2.1 Principal Office  
The principal office for the transaction of the business of the Corporation will be fixed by the Board at any place within or without the State of California.

Section 2.2 Other Offices  
The Board may at any time establish branch or subordinate offices at any place or places where the Corporation is qualified to transact business.

**ARTICLE 3 PURPOSES**

Section 3.1 General Purpose  
The Corporation is a nonprofit mutual benefit corporation organized under the Nonprofit Mutual Benefit Corporation Law (“Nonprofit Corporation Law”). The purpose of this Corporation is to engage in any lawful act or activity for which a corporation may be organized under such law.

Section 3.2 Specific Purpose  
The specific purpose of this Corporation is to promote public interest regarding coffee and coffee beverages of the highest quality; to provide education about cultivation, processing, preparation, and the marketing of specialty coffee; to establish a common forum for discussion among industry members; to ensure a sense of industry purpose and cooperation; and to enhance the unified character of our industry. The Corporation will foster a global coffee community and support activities to make coffee a more sustainable, equitable and thriving activity for the entire value chain.

**ARTICLE 4 LIMITATIONS**

Section 4.1 Political Activities  
The Corporation has been formed under Nonprofit Corporation Law for the purposes described in Article 3, and it shall be nonprofit and nonpartisan. The Corporation shall not participate in or intervene in any political campaign (including the publishing or distribution of statements) on behalf of, or in opposition to, any candidate for public office.

Section 4.2 Prohibited Activities  
The Corporation shall not, except in any insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the purposes described in Article 3. Furthermore, nothing in Article 3 shall be construed as allowing the Corporation to engage in any activity not permitted to be carried on by a corporation exempt from federal income tax under section 501(c)(6) of the Internal Revenue Code of 1986, as amended (the “Code”).

**ARTICLE 5 DEDICATION OF ASSETS**

Section 5.1 Property Dedicated to Nonprofit Purposes  
The property of the Corporation is dedicated to the purposes described in Article 3. No part of the net income or assets of the Corporation may be permitted to unduly benefit any individual or other person in a position to exercise a significant degree of control over the Corporation, except that the Corporation is authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article 3 hereof.

Section 5.2      Distribution of Assets Upon Dissolution  
Upon the dissolution or winding up of the Corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of the Corporation shall be distributed in accordance with applicable law.

**ARTICLE 6      MEMBERSHIPS, AND MEMBER APPROVAL AND ANNUAL MEETING**

Section 6.1      Voting Members  
Voting membership shall be open to all business entities and individuals who are engaged in any specialty coffee activity, including but not limited to producers, exporters, importers, green brokers, roasters, roaster/retailers, coffee bean stores, cafes, coffee bars, kiosks, carts, restaurants, food service operations, office coffee service operators, baristas, trainers and those in the import, manufacture, or distribution of products and/or services closely allied with the specialty coffee industry. Each such member shall have one vote.

Section 6.2      Non-Voting Members  
The Board may adopt policies and procedures from time to time for the admission of associate members who shall have no voting rights in the Corporation. Such associate or other members are not “members” of the Corporation as defined in section 5056 of the California Nonprofit Corporation Law.

Section 6.3      Member Approval  
The following matters shall require the approval of the members, by written ballots, distributed by regular mail, express courier or electronic mail, or by other electronic means approved by the Board and not in conflict with applicable law in compliance with the quorum and other applicable requirements of the California Corporations Code, which quorum shall in no event be less than 5% of the total voting power of the members, and with reasonable opportunity for members to present arguments for and against such actions:

- the disposition of all or substantially all of the assets of the Corporation;
- on any merger and its principal terms and any amendment of those terms;
- on any election to dissolve the Corporation; and
- changing the voting rights of voting members;

In all cases of member approval, approval shall require a majority of the votes cast, provided that the required quorum participates in the vote.

Section 6.4      Annual Meeting  
An annual meeting of members to present the slate of candidates for directors and any other business will be held no later than three months after completion and delivery of the Corporation’s audited financial statements to the Corporation and in no event later than six months after the end of each fiscal year. The meeting may be conducted, in whole or in part, by electronic transmission by and to the Corporation, electronic video screen communication, conference telephone, or other means of remote communication. A meeting of the members may be conducted, in whole or in part, by electronic transmission by and to the corporation or by electronic video screen communication (1) if the corporation implements reasonable measures to provide members in person (or, if proxies are allowed, by proxy) a reasonable opportunity to participate in the meeting and to vote on matters submitted to the members, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with those proceedings, and (2) if any member votes or takes other action at the meeting by means of electronic transmission to the corporation or electronic video screen communication, a record of that vote or action is maintained by the Corporation. Elections of directors will be conducted in accordance with Article 7 and not at the annual meeting.

Section 6.5      Special Meetings

6.5.1 Special Meetings

The Board or the President of the Board or five percent or more of the members, may call a special meeting of the members for any lawful purpose at any time.

6.5.2 Call of Special Meetings

A special meeting called by any person entitled to call a meeting of the members shall be called by written request, specifying the general nature of the business proposed to be transacted, and addressed to the attention of and submitted to the President of the Board, or any Vice President or the Secretary of the Corporation. The officer receiving the request shall cause notice to be given promptly to the members entitled to vote, under Section 6.1 of these Bylaws, stating that a meeting will be held at a specified time and date fixed by the Board. However, the meeting date shall be at least 35 but no more than 90 days after receipt of the request. No business, other than the business that was set forth in the notice of the meeting, may be transacted at a special meeting.

Section 6.6 Quorum

Except as provided in Section 6.3, one-twentieth of one percent (1/20<sup>th</sup> of 1%), but not less than twenty (20), of the voting power shall constitute a quorum for the transaction of business at any meeting of members. If, however, the attendance at any general or annual meeting, whether in person or by proxy, is less than one-third of the voting power, the members may vote only on matters as to which notice of their general nature was given under Sections 6.4 and 6.5 of these Bylaws.

Section 6.7 Majority Approval

If a quorum is present, the affirmative vote of a majority of the voting power represented at the meeting, entitled to vote and voting on any matter, shall be deemed the act of the members unless the vote of a greater number, or voting by classes, is required by the Nonprofit Corporation Law.

Section 6.8 Action by Written Ballot

6.8.1 Action by Written Ballot

Any action that members may take at any meeting of members may also be taken without a meeting by complying with this Section 6.8.

6.8.2 Solicitation of Ballots

This Corporation shall distribute one written ballot to each member entitled to vote on the matter. The ballot and any related material may be sent by electronic transmission by the Corporation, and responses may be returned to the Corporation by electronic transmission that meets the requirements of this Section. All solicitations of votes by written ballot shall (1) state the number of responses needed to meet the quorum requirement; (2) state, with respect to ballots other than for election of directors, the percentage of approvals necessary to pass the measure or measures; and (3) specify the time by which the ballot must be received in order to be counted. Each ballot so distributed shall (1) set forth the proposed action; (2) give the members an opportunity to specify approval or disapproval of each proposal; and (3) provide a reasonable time in which to return the ballot to the Corporation. If the corporation has 100 or more members, any written ballot distributed to ten or more members shall provide that, subject to reasonable specified conditions, if the person solicited specifies a choice in any such matter, the vote shall be cast according to that specification. In any election of directors, a written ballot that a member marks "withhold," or otherwise marks in a manner indicating that authority to vote is withheld, shall not be voted either for or against the election of a director.

6.8.3 Approvals Required

Approval by written ballot shall be valid only when (1) the number of votes cast by ballot (including ballots that are marked "withhold" or otherwise indicate that authority to vote is withheld) within the time specified equals or exceeds the quorum required to be present at a meeting authorizing the action, and (2) the number of approvals equals or exceeds the number of votes that would be required for approval at a meeting at which the total number of votes cast was the same as the number of votes cast by written ballot without a meeting.



6.8.4 Record Date

For purposes of establishing the members entitled to receive notice of any meeting, entitled to vote at any meeting, entitled to vote by written ballot, or entitled to exercise any rights in any lawful action, the board of directors may, in advance, fix a record date.

Section 6.9 Termination of Membership

6.9.1 Termination of Membership

A membership shall terminate upon occurrence of any of the following events: (a) resignation of a member, upon reasonable notice to the Corporation; (b) expiration of the period of membership, unless the membership is renewed; (c) failure of a member to pay dues within thirty (30) days after they are due and payable; (d) occurrence of any event which renders a member ineligible for membership; or (e) the good faith determination by the Board, or a committee or person authorized by the Board to make such a determination, that the member has failed in a material and serious degree to observe the rules of conduct of the Corporation, or has engaged in conduct materially and seriously prejudicial to the Corporation's purposes and interests.

6.9.2 Termination Procedure

If grounds appear to exist for terminating a member under Section 6.9.1 of these Bylaws, the following procedure shall be followed:

- (a) The Board shall give the member at least fifteen (15) days prior notice of the proposed termination. The notice shall state the reasons for the proposed termination and shall be given by any method reasonably calculated to provide actual notice. Notice given by mail shall be sent by first-class or registered mail to the member's last address as shown on the corporation's records.
- (b) The member shall be given an opportunity to be heard, either orally, at a hearing called for the purpose of hearing the member, or in writing, at least five (5) days before the effective date of the proposed termination. The hearing shall be held, or the written statement considered, by the Board or by a committee or person authorized by the Board to determine whether the termination should occur.
- (c) The Board, committee, or person shall decide whether the member should be terminated. The decision of the Board of directors, committee, or person shall be final.
- (d) Any action challenging termination of membership, including a claim alleging defective notice, must be commenced within one (1) year after the date of the termination.

Section 6.10 Memberships Not Transferable

No membership or right arising from membership shall be transferred. All membership rights cease on the member's death or dissolution.

**ARTICLE 7 DIRECTORS**

Section 7.1 Number and Qualifications

7.1.1 Number

The authorized number of directors of the Corporation ("Directors") shall be fifteen (15) unless changed by amendment to these Bylaws. Included in the number are the President, Vice President, 2<sup>nd</sup> Vice President and Treasurer.

7.1.2 Qualifications

Directors shall be chosen from voting members of the Corporation who are persons of good character

with established reputations in the specialty coffee industry and are strategic thinkers and who meet the qualifications established by the Board and set forth in the Nominating Committee Rules.

Section 7.2 Corporate Powers Exercised by Board

Subject to the provisions of the Articles of Incorporation of the Corporation (the “Articles of Incorporation”), Nonprofit Corporation Law and any other applicable laws, the business and affairs of the Corporation shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board of Directors (the “Board”). The Board may from time-to-time delegate management of the activities of the Corporation to any person or persons, management company or committee however composed, provided that the activities and affairs of the Corporation shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board. The Nominating Committee shall endeavor to maintain a reasonable geographical, gender and racial balance among the committee members it nominates.

Section 7.3 Terms and Composition of Board; Staggering

(a) Beginning 2025, the term of a Director shall be three (3) years. A Director shall hold office until the earlier of (1) the expiration of the term for which such Director was elected and either such Director’s successor is elected and qualified or the Board declares such Director’s position to be vacant, or (2) the death, resignation or removal of the Director.

(b) Directors’ terms of office shall be established in such a manner that there will be four (4) groups of the Directors with terms expiring each year. In order to establish the staggering mechanism, there will be four (4) Directors in each of Group 1, Group 2 and Group 3, and three (3) Directors in Group 4. Beginning 2025, Group 1 and Group 4 will begin to serve the usual term of three (3) years. Beginning 2026, Group 2 will begin to serve the usual term of three (3) years, and beginning 2027, Group 3 will begin to serve the usual term of three (3) years. Until then, the Board, in consultation with the Chief Executive Officer, will slot existing Directors into terms leading to the initial staggering. In the event of a change in the number of Directors, the staggering of terms shall be preserved and, to the extent the number of Directors is not divisible by four (4), the terms shall continue to be established in such a manner that approximately each group maintains its size relative to the other groups.

(c) Directors (other than those who are Officers) who are elected to usual three (3)-year terms may serve a maximum of two terms, whether or not consecutive. Directors who are appointed by the Board to the office of 2<sup>nd</sup> Vice President shall continue to serve as Directors until the completion of their term as President. Directors who are appointed by the Board to the office of Treasurer shall continue to serve as Directors until the completion of their term as Treasurer.

Section 7.4 Nominating Committee; Election Procedures and Terms

(a) Elections of Directors by the Board shall be held annually with slates proposed by a Nominating Committee comprising the President, Vice President, 2<sup>nd</sup> Vice President, Treasurer, two emeritus Directors and, serving without vote, the Chief Executive Officer. The Board shall appoint the two emeritus Directors to the Nominating Committee for terms of one (1) year, beginning March 1 and ending on the last day of February of each year. The emeritus Directors on the Nominating Committee shall have served at least one (1) complete term as Director before being appointed to the committee.

(b) The Nominating Committee shall take recommendations from the Directors and other members and submit a slate of candidates for consideration by the full Board no later than July 31 each year for the following year’s election. Nominations shall be submitted to the Chair of the Nominating Committee in writing by the deadline specified by that committee. The Board will notify the membership of its proposed slate of nominees no later than September 1.

(c) The Nominating Committee shall operate under procedures adopted by the Board and shall endeavor to maintain a balance reasonably reflecting the geographical, gender and other diversity of

the Corporation's membership in its nominations. The Nominating Committee shall propose to the Board one person for each available position, and each such nomination shall be subject to Board approval.

(d) Additional nominees, who shall not be subject to Board approval, may be nominated by petition, excluding the offices of President, Vice President, 2<sup>nd</sup> Vice President and Treasurer, which shall be appointed by the Board. Each petition must be signed and transmitted to the Corporation by eligible voters (as defined in Section 7.4(e)) between January 1 and September 30 of the year of the election and constitute at least one percent (1%) of eligible voters, but not less than one hundred (100). All petition nominees qualified under these Bylaws and receiving the required number of signatures will be added to the ballot. All candidates, whether on the Board's slate or nominated by petition, will be given equal access to promote their candidacy through membership communications and by access to the membership list. In the event that any amendment to the Nonprofit Corporation Law requires a lesser minimum number of signatures for a petition, this paragraph shall be deemed amended to comply with such provision.

(e) The election shall be conducted by written ballots, distributed by regular mail, express courier or electronic mail, or by other electronic means approved by the Board and not in conflict with applicable law. Ballots shall be transmitted or otherwise made available to all eligible voting members on November 1, with the balloting closing November 30, of each year. Ballots shall include the opportunity for write-in voting for each position. "Eligible voters" shall mean persons who were voting members of the Corporation on September 1 of the voting year.

(f) If after the close of the nominating period on September 30 the number of people nominated for the Board is not more than the number of directors to be elected, the Corporation may without further action declare that those nominated and qualified to be elected have been elected, in which case there shall be no election. If the number of people nominated for the Board is more than the number of directors to be elected, the Corporation shall conduct the election as provided in subsection (e) above, and the nominees receiving the highest number of votes for the number of positions available shall be elected, and no minimum number of votes is required.

Section 7.5 Terms of Officers

The President, Vice President, and 2<sup>nd</sup> Vice President shall serve one (1)-year terms. Each January 1, the Vice President shall succeed to President, and the 2<sup>nd</sup> Vice President shall succeed to Vice President. A new 2<sup>nd</sup> Vice President shall be appointed by the Board each year from among the Directors, with their term as Director continuing until the expiration of their term as President. The Treasurer shall be appointed by the Board from among the Directors for a term of three (3) years and a maximum of two (2) terms, whether or not consecutive.

Section 7.6 Vacancies

7.6.1 Term after Filling Vacancies

Directors, including Officers, appointed by the Board to fill a vacancy shall hold office until the expiration of the term for which their predecessor was elected, which shall be three (3) years in the case of the 2<sup>nd</sup> Vice President, two (2) years in the case of the Vice President and three (3) years in the case of the Treasurer.

7.6.2 Events Causing Vacancy

A vacancy or vacancies on the Board shall be deemed to exist on the occurrence of the following: (i) the death, resignation, or removal of any Director; (ii) whenever the number of authorized Directors is increased; (iii) if the Board declares vacant the position of any Director whose term has expired; or (iv) the failure of the Board or members, at any meeting or during any election at which any Directors are to be elected, to elect the full authorized number of Directors.

7.6.3 Removal

The Board may by resolution declare vacant the office of a Director who has (i) become subject to an entry by a court of competent jurisdiction that appoints a guardian or conservator for the Director or estate of the Director; (ii) been convicted of a felony, (iii) been found by final order or judgment

of any court of competent jurisdiction to have breached any duty under Nonprofit Corporation Law, or (iv) failed to attend two consecutive Board meetings without an excuse approved by the President during any calendar year.

The Board may, by a majority vote of all of the Directors who meet all of the required qualifications to be a Director set forth in Section 7.1.2, (i) declare vacant the office of any Director who fails or ceases to meet any required qualification that was in effect at the beginning of that Director's current term of office, or (ii) remove a Director with cause.

7.6.4 No Removal on Reduction of Number of Directors

No reduction of the authorized number of Directors shall have the effect of removing any Director before that Director's term of office expires unless the reduction also provides for the removal of that specified Director in accordance with these Bylaws and Nonprofit Corporation Law.

7.6.5 Resignations

Except as provided in this Section 7.6.5, any Director may resign by giving written notice to the President, the Secretary, or the Board. Such a written resignation will be effective on the later of (i) the date it is delivered or (ii) the time specified in the written notice that the resignation is to become effective.

7.6.6 Election to Fill Vacancies

Vacancies on the Board may be filled by a majority of the Directors then in office, whether or not less than a quorum, or by a sole remaining Director. The term of a Director so elected shall be the unexpired portion of the term of the Director being replaced.

Section 7.7 Regular Meetings

Each year, the Board shall hold at least one meeting, at a time and place fixed by the Board, for the purposes of election of Directors who are to be additionally appointed Officers, review and approval of the corporate budget and transaction of other business. This meeting is sometimes referred to in these Bylaws as the "annual meeting." Other regular meetings of the Board may be held at such time and place as the Board may fix from time to time by resolution.

Section 7.8 Special Meetings

Special meetings of the Board for any purpose may be called at any time by the President, Vice President, 2<sup>nd</sup> Vice President, the Secretary, or any two Directors.

Section 7.9 Notice of Meetings

7.9.1 Manner of Giving

Except when the time and place of a regular meeting is set by the Board by resolution in advance, notice of the time and place of all regular and special meetings shall be given to each Director by one of the following methods:

- (a) Personal delivery of written notice;
- (b) By telephone, including a voice messaging system, with live confirmation of receipt;
- (c) Delivery by a recognized express courier, such as Federal Express, with fees prepaid for no later than two (2) business day delivery; or
- (d) Electronic transmission, including facsimile and electronic mail, if the recipient has acknowledged receipt.

All such notices shall be given or sent to the Director's physical or electronic mail address as shown on the records of the Corporation. Notice of regular meetings may also be given in the form of a calendar or schedule that sets forth the date, time and place of more than one regular meeting.

7.9.2 Time Requirements  
Notices of meetings shall be delivered at least fifteen (15) days in advance of in-person meetings held in one location and forty-eight (48) hours in advance of meetings held by electronic transmission or telephonic communications. Notices sent by express courier shall be deemed delivered two (2) business days after deposit with the courier and shall be deposited at least four (4) business days before the time set for the meeting. Notices given by personal delivery, telephone, electronic mail or other electronic transmission shall be delivered at least forty-eight (48) hours before the time set for the meeting.

7.9.3 Notice Contents  
The notice shall state the time and place for the meeting, including any conference calling or electronic information. The notice need not specify the purpose of the meeting unless required to elsewhere in these Bylaws.

Section 7.10 Place of Board Meetings  
Regular and special meetings of the Board may be held at any place in the world that is reasonably accessible by air transport or entirely by conference call as has been designated in the notice of the meeting, or, if not stated in the notice or, if there is no notice, designated by resolution of the Board or in a previously issued calendar or schedule.

7.10.1 Meetings by Telephone or Similar Communication Equipment  
Any meeting may be held by conference telephone, electronic video screen communication or electronic transmission by and to the Corporation. Participation in a meeting under this Section shall constitute presence in person at the meeting if both the following apply: (1) each Director participating in the meeting can communicate concurrently with all other Directors, and (2) each Director is provided the means of participating in all matters before the Board, including the capacity to propose, or to interpose an objection to, a specific action to be taken by the Corporation. All such Directors shall be deemed to be present in person at such meeting.

Section 7.11 Quorum and Action of the Board

7.11.1 Quorum  
A majority of Directors then in office (but no fewer than five (5) Directors), shall constitute a quorum for the transaction of business, except to adjourn.

7.11.2 Minimum Vote Requirements for Valid Board Action  
Every act taken or decision made by a vote of the majority of the Directors present at a meeting duly held at which a quorum is present is the act of the Board, unless a greater number is expressly required by Nonprofit Corporation Law, the Articles of Incorporation or these Bylaws. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors from the meeting, if any action taken is approved by at least a majority of the required quorum for that meeting.

7.11.3 When a Majority of All Directors Is Required for Valid Board Action  
The following actions shall require a vote by a majority of all Directors then in office in order to be effective, regardless of the number attending the meeting:

- (a) Approval of contracts or transactions in which a Director has a direct or indirect material financial interest (provided that the vote of any interested Director(s) is not counted);
- (b) Creation of, and appointment to, Committees (but not advisory committees);
- (c) Removal of a Director with cause as described in Section 7.6.3.; and
- (d) Indemnification of Directors.

7.11.4 When a Super Majority is Required for Valid Board Action  
The following matter will require 80% approval of all Directors then in office in order to be effective,

regardless of the number attending the meeting: removal of a Director without cause.

Section 7.12 Waiver of Notice

Notice of a meeting need not be given to any Director who signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes, whether before or after the meeting, or who attends the meeting without protesting the lack of notice to such Director, prior thereto or at its commencement. Neither the business to be transacted nor the purpose of any regular or special meeting of the Directors or of a committee of Directors need be specified in any such waiver, consent or approval. All waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Directors can protest the lack of notice only by presenting a written protest to the Secretary either in person, by first-class mail addressed to the Secretary at the principal office of the Corporation as contained on the records of the Corporation as of the date of the protest, or by facsimile addressed to the facsimile number of the Corporation as contained on the records of the Corporation as of the date of the protest.

Section 7.13 Adjournment

A majority of the Directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place.

Section 7.14 Notice of Adjournment

Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than twenty-four (24) hours, in which case personal notice of the time and place shall be given before the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.

Section 7.15 Conduct of Meetings

Meetings of the Board shall be presided over by the President, or, in the President's absence, the Vice President, or, if both are absent, by the 2<sup>nd</sup> Vice President or, in the absence of each of these persons, by a chairperson of the meeting, chosen by a majority of the Directors present at the meeting. The Secretary shall act as secretary of all meetings of the Board, provided that, if the Secretary is absent, the presiding officer shall appoint another person to act as secretary of the meeting. Meetings shall be governed by rules of procedure as may be determined by the Board from time to time, insofar as such rules are not inconsistent with or in conflict with these Bylaws, with the Articles, or with any provisions of law applicable to the Corporation.

Section 7.16 Action Without Meeting

Any action required or permitted to be taken by the Board may be taken without a meeting, if all members of the Board, individually or collectively, consent in writing to the action. For the purposes of this Section 7.16 only, "all members of the Board" shall not include any "interested Director" as defined in section 7233 of the California Nonprofit Corporation Law. Such written consent shall have the same force and effect as a unanimous vote of the Board taken at a meeting. Such written consent or consents shall be filed with the minutes of the proceedings of the Board.

Written consent may be transmitted by first-class mail, messenger, courier, electronic mail or any other reasonable method satisfactory to the President.

Section 7.17 Fees and Compensation of Directors

The Corporation shall not pay any compensation to Directors for services rendered to the Corporation as Directors, except that Directors may be reimbursed for expenses incurred in the performance of their duties to the Corporation, in reasonable amounts as approved by the Board. Also, Directors may not be compensated for rendering services to the Corporation in a capacity other than as Directors, unless such compensation is reasonable.

Section 7.18 Non-Liability of Directors

The Directors shall not be personally liable for the debts, liabilities, or other obligations of the Corporation except as otherwise required by applicable law.

## ARTICLE 8 COMMITTEES

### Section 8.1 Committees of Directors

The Board may, by resolution adopted by a majority of the Directors then in office, create one or more Board Committees (“Committees”), including an executive committee, each consisting of two or more Directors, to serve at the discretion of the Board. Any Committee, to the extent provided in the resolution of the Board, may be given the authority of the Board except that no Committee may:

- (a) approve any action for which the Nonprofit Corporation Law also requires approval of the members or approval of a majority of all members;
- (b) fill vacancies on the Board or in any Committee which has the authority of the Board;
- (c) fix compensation of the Directors for serving on the Board or on any Committee;
- (d) amend or repeal Bylaws or adopt new Bylaws;
- (e) amend or repeal any resolution of the Board which by its express terms is not so amendable or repealable;
- (f) appoint any other Committees or the members of these Committees;
- (g) expend corporate funds to support a nominee for Director after more persons have been nominated than can be elected; or
- (h) approve any transaction (i) between the Corporation and one or more of its Directors or (ii) between the Corporation and any entity in which one or more of its Directors have a material financial interest.

### Section 8.2 Meetings and Action of Board Committees

Meetings and action of Committees shall be governed by, and held and taken in accordance with, the provisions of Article 7 concerning meetings of Directors, with such changes in the context of Article 7 as are necessary to substitute the Committee and its members for the Board and its members, except that the time for regular meetings of Committees may be determined by resolution of the Board, and special meetings of Committees may also be called by resolution of the Board. Minutes shall be kept of each meeting of any Committee and shall be filed with the corporate records. The Committee shall report to the Board from time to time as the Board may require. The Board may adopt rules for the governance of any Committee not inconsistent with the provisions by these Bylaws. In the absence of rules adopted by the Board, the Committee may adopt such rules.

### Section 8.3 Quorum Rules for Board Committees

A majority of the Committee members shall constitute a quorum for the transaction of Committee business, except to adjourn. A majority of the Committee members present, whether or not constituting a quorum, may adjourn any meeting to another time and place. Every act taken or decision made by a majority of the Committee members present at a meeting duly held at which a quorum is present shall be regarded as an act of the Committee, subject to the provisions of the California Nonprofit Corporation Law relating to actions that require a majority vote of the entire Board. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Committee members, if any action taken is approved by at least a majority of the required quorum for that meeting.

### Section 8.4 Revocation of Delegated Authority

The Board may, at any time, revoke or modify any or all of the authority that the Board has delegated to a Committee, increase or decrease (but not below two) the number of members of a Committee, and fill vacancies in a Committee from the members of the Board.

### Section 8.5 Audit Committee

The Board shall (i) prepare annual financial statements using generally accepted accounting principles that are audited by an independent certified public accountant (“CPA”) in conformity with generally accepted auditing standards; and (ii) appoint an Audit Committee.

The Audit Committee shall not include paid or unpaid staff or employees of the Corporation, including, if staff members or employees, the President, chief executive officer, or the Treasurer or chief financial officer (if any). Subject to the supervision of the Board, the Audit Committee shall:

- (a) make recommendations to the Board on the hiring and firing of the CPA;
- (b) confer with the CPA to satisfy Audit Committee members that the financial affairs of the Corporation are in order;
- (c) approve non-audit services by the CPA; and
- (d) if requested by the Board, negotiate the CPA’s compensation on behalf of the Board.

Section 8.6 Advisory Committees

The Board may create one or more advisory committees to serve at the pleasure of the Board. Appointments to such advisory committees need not, but may, be Directors. The Board shall appoint and discharge advisory committee members. All actions and recommendations of an advisory committee shall require ratification by the Board before being given effect.

**ARTICLE 9 OFFICERS**

Section 9.1 Officers

The officers of the Corporation shall be a President, a Vice President, a 2nd Vice President, a Treasurer, a Secretary and a Chief Executive Officer (collectively, “Officers”). Officers of the Corporation who shall also be Directors (“Officer/Directors”) are the President, Vice President, 2nd Vice President and Treasurer and shall be elected as provided in Section 7.4 above, except that the Vice President automatically succeeds to President, and the 2nd Vice President automatically succeeds to Vice President at the end of their respective terms. Each Officer/Director may only hold one office at a time. The Officer/Directors shall each continue to serve as Directors until their terms in their respective offices have expired as provided in Section 7.5, above, regardless of the terms as Directors for which they were elected.

The Board shall have the power to designate additional Officers, who shall not be Directors, including additional vice presidents, one or more assistant secretaries with such duties, powers, titles and privileges as the Board may fix.

Section 9.2 Removal of Officers

Any Officer may be removed, subject to their rights under their employment agreement or under applicable law, with or without cause, by a vote of a majority of all the Directors then in office at any regular or special meeting of the Board.

Section 9.3 Resignation of Elected Officers

Any elected Officer may resign at any time by giving written notice to the Corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Corporation under any contract to which the Officer is a party.

Section 9.4 Vacancies in Offices

A vacancy in any office, whether elected or not, because of death, resignation, removal, disqualification, or any other cause shall be filled for the remainder of that officer’s term by action of the Board.



Section 9.5 Responsibilities of Officers

9.5.1 President

The President of the Corporation shall preside at meetings of the Board and exercise and perform such other powers and duties as may from time to time be assigned to him or her by the Board or prescribed by these Bylaws. If no other person is designated as the chief executive officer, the President shall, in addition, be the chief executive officer and shall have the powers and duties prescribed in Section 9.6.

9.5.2 Vice Presidents

The Vice President of the Corporation (the "Vice President") shall, in the absence or disability of the President, perform all the duties of the President and, when so acting, have all the powers of and be subject to all the restrictions upon, the President. The 2nd Vice President shall, in the absence or disability of the Vice President, perform all the duties of the Vice President and, when so acting, have all the powers of and be subject to all the restrictions upon, the Vice President. The Vice President and 2nd Vice President shall have such other powers and perform such other duties as may be prescribed by the Board.

9.5.3 Secretary

The Secretary of the Corporation shall attend to the following:

9.5.3.1 Bylaws

The Secretary shall certify and keep or cause to be kept at the principal office of the Corporation the original or a copy of these Bylaws as amended to date.

9.5.3.2 Minute Book

The Secretary shall keep or cause to be kept a minute book as described in Section 12.1.

9.5.3.3 Notices

The Secretary shall give, or cause to be given, notice of all meetings of the Board in accordance with these Bylaws.

9.5.3.4 Corporate Records

Upon request, the Secretary shall exhibit or cause to be exhibited at all reasonable times to any Director, or to their agent or attorney, these Bylaws and the minute book.

9.5.3.5 Other Duties

The Secretary shall have such other powers and perform such other duties incident to the office of Secretary as may be prescribed by the Board or these Bylaws.

9.5.4 Treasurer

The Treasurer of the Corporation shall attend to the following:

9.5.4.1 Books of Account

The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings, and other matters customarily included in financial statements. The books of account shall be open to inspection by any Director at all reasonable times.

9.5.4.2 Financial Reports

The Treasurer shall prepare, or cause to be prepared, and certify, or cause to be certified, the financial statements to be included in any required reports.

9.5.4.3 Deposit and Disbursement of Money and Valuables

The Treasurer shall deposit, or cause to be deposited, all money and other valuables in the name and to the credit of the Corporation with such depositories as may be designated by the Board; shall disburse, or cause to be disbursed, the funds of the Corporation as may be ordered by the Board; shall render, or cause to be rendered to the President and Directors, whenever they request it, an account of all of their transactions as Treasurer and of the financial condition of the Corporation; and shall have other powers and perform such other duties incident to the office of Treasurer as may be prescribed by the Board or these Bylaws.

9.5.5 Additional Officers

The Board may empower the President to appoint or remove such other officers as the business of the Corporation may require, each of whom shall hold office for such period, have such authority, and perform such duties as are provided in these Bylaws or as the Board from time to time may determine.

Section 9.6 Chief Executive Officer

Subject to such supervisory powers as may be given by the Board to the President, the Board shall hire a Chief Executive Officer who shall be the general manager of the Corporation, and subject to the control of the Board, shall supervise, direct and control the Corporation's day-to-day activities, business and affairs. The Chief Executive Officer (who may be referred to as the "CEO") shall be empowered to hire, supervise and fire all of the employees of the Corporation, under such terms and having such job responsibilities as the chief executive shall determine in their sole discretion, subject to the rights, if any, of the employee under any contract of employment. The Chief Executive Officer may delegate their responsibilities and powers subject to the control of the Board. They shall have such other powers and duties as may be prescribed by the Board or these Bylaws.

Section 9.8 Compensation of Officers

9.9.1 Salaries Fixed by Board

The salaries of the Chief Executive Officer and chief financial officer shall be fixed from time to time by resolution of the Board. Although it is not preferred that a salaried officer will also serve as a Director, if such an appointment is made, that Director shall not be permitted to vote on their own compensation as an officer.

9.9.2 Fairness of Compensation

The Board shall periodically review the fairness of compensation, including benefits, paid to every person, regardless of title, with powers, duties, or responsibilities comparable to the Chief Executive Officer or chief financial officer (i) once such person is hired, (ii) upon any extension or renewal of such person's term of employment, and (iii) when such person's compensation is modified (unless all employees are subject to the same general modification of compensation).

**ARTICLE 10 TRANSACTIONS BETWEEN CORPORATION AND DIRECTORS OR OFFICERS**

Section 10.1 Transactions with Directors and Officers

No director of this Corporation nor any other corporation, firm, association, or other entity in which one or more of this Corporation's Directors are directors or have a material financial interest, shall be interested, directly or indirectly, in any contract or other transaction with this Corporation unless (1) the material facts as to the transaction and such director's interest are fully disclosed or known to the members and such contract or transaction is approved by the members in good faith, without the interested Director being entitled to vote thereon, or (2) the material facts regarding such Director's financial interest in such contract or transaction or regarding such common directorship, officership, or financial interest are fully disclosed in good faith and are noted in the minutes or are known to all Directors before consideration by the Board of such contract or transaction, and such contract or transaction is authorized in good faith by a majority of the Board by a vote sufficient for that purpose without counting the vote of the interested director.

Section 10.2 Loans to Directors and Officers

The Corporation shall not make any loan of money or property to or guarantee the obligation of any Director or Officer, except that, the Corporation may advance money to a Director or Officer for expenses reasonably anticipated to be incurred in the performance of duties of such Director or

Officer, if in the absence of such advance, such Director or Officer would be entitled to be reimbursed for such expenses by the Corporation.

The limitation above does not apply if (i) the loan is necessary, in the judgment of the Board, to provide financing for the purchase of the principal residence of a non-Director officer in order to secure the services of (or continued services of) such officer and the loan is secured by such residence; or (ii) the loan is for the payment of premiums on a life insurance policy on the life of a non-Director officer and repayment to the Corporation of the amount paid by it is secured by the proceeds of the policy and its cash surrender value.

Section 10.3 Interlocking Directorates

No contract or other transaction between the Corporation and any corporation, firm or association of which one or more Directors are directors is either void or voidable because such Director(s) are present at the Board or committee meeting that authorizes, approves or ratifies the contract or transaction, if (i) the material facts as to the transaction and as to such Director's other directorship are fully disclosed or known to the Board or committee, and the Board or committee authorizes, approves or ratifies the contract or transaction in good faith by a vote sufficient without counting the vote of the common Director(s) (subject to the quorum provisions of Article 7); or if (ii) the contract or transaction is just and reasonable as to the Corporation at the time it is authorized, approved or ratified.

Section 10.4 Duty of Loyalty; Construction with Article 11

Nothing in this Section 10.4 shall be construed to derogate in any way from the absolute duty of loyalty that every Director and Officer owes to the Corporation. Furthermore, nothing in this Section 10.4 shall be construed to override or amend the provisions of Article 11. All conflicts between the two articles shall be resolved in favor of Article 11.

**ARTICLE 11 INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS**

Section 11.1 Definitions

For purpose of this Article 11,

11.1.1 "Agent"

means any person who is or was a director, officer, employee, or other agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee, or agent of another foreign or domestic corporation, partnership, joint venture, trust, or other enterprise, or was a director, officer, employee, or agent of a foreign or domestic corporation that was a predecessor corporation of the Corporation or of another enterprise at the request of the predecessor corporation;

11.1.2 "Proceeding"

means any threatened, pending, or completed action or proceeding, whether civil, criminal, administrative, or investigative; and

11.1.3 "Expenses"

includes, without limitation, all attorneys' fees, costs, and any other expenses reasonably incurred in the defense of any claims or proceedings against an Agent by reason of their position or relationship as Agent and all attorneys' fees, costs, and other expenses reasonably incurred in establishing a right to indemnification under this Article 11.

Section 11.2 Applicability of Indemnification Provisions

11.2.1 Successful Defense by Agent

To the extent that an Agent has been successful on the merits in the defense of any proceeding referred to in this Article 11, or in the defense of any claim, issue, or matter therein, the Agent shall be indemnified against expenses actually and reasonably incurred by the Agent in connection with the claim.

- 11.2.2 Settlement or Unsuccessful Defense by Agent  
If an Agent either settles any proceeding referred to in this Article 11, or any claim, issue, or matter therein, or sustains a judgment rendered against him, then the provisions of Section 11.3 through Section 11.6 shall determine whether the Agent is entitled to indemnification.
- Section 11.3 Actions Brought by Persons Other than the Corporation  
This Section 11.3 applies to any proceeding other than an action “by or on behalf of the corporation” as defined in Section 11.4. Such proceedings that are not brought by or on behalf of the Corporation are referred to in this Section 11.3 as “Third Party proceedings.”
- 11.3.1 Scope of Indemnification in Third Party Proceedings  
Subject to the required findings to be made pursuant to Section 11.3.2, the Corporation shall, to the fullest extent permitted by law, indemnify any person who was or is a party, or is threatened to be made a party, to any Third Party proceeding, by reason of the fact that such person is or was an Agent, for all expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with the proceeding.
- 11.3.2 Required Standard of Conduct for Indemnification in Third Party Proceedings  
Any indemnification granted to an Agent above in this Article 11 is conditioned on the following. The Board must determine, in the manner provided in Section 11.5, that the Agent seeking reimbursement acted in good faith, in a manner he or she reasonably believed to be in the best interest of the Corporation, and, in the case of a criminal proceeding, he or she must have had no reasonable cause to believe that their conduct was unlawful. The termination of any proceeding by judgment, order, settlement, conviction, or on a plea of *nolo contendere* or its equivalent shall not, of itself, create a presumption that the person did not act in good faith or in a manner he or she reasonably believed to be in the best interest of the Corporation or that he or she had reasonable cause to believe that their conduct was unlawful.
- Section 11.4 Action Brought By or On Behalf Of the Corporation  
This Section 11.4 applies to any proceeding brought (i) by or in the right of the Corporation, or (ii) by an officer, director on the ground that the defendant director was or is engaging in self-dealing within the meaning of section 7233 of the Nonprofit Corporation Law (any such proceeding is referred to in these Bylaws as a proceeding “by or on behalf of the Corporation”).
- 11.4.1 Scope of Indemnification in Proceeding By or On Behalf Of the Corporation  
Subject to the required findings to be made pursuant to Section 11.4.2, and except as provided in Sections 11.4.3 and 11.4.4, the Corporation may indemnify any person who was or is a party, or is threatened to be made a party, to any proceeding by or on behalf of the Corporation, by reason of the fact that such person is or was an Agent, for all expenses actually and reasonably incurred in connection with the defense or settlement of such action.
- 11.4.2 Required Standard of Conduct for Indemnification in Proceeding By or On Behalf Of the Corporation  
Any indemnification granted to an Agent in this Article 11 is conditioned on the following. The Board must determine, in the manner provided in Section 11.5, that the Agent seeking reimbursement acted in good faith, in a manner he or she believed to be in the best interest of the Corporation and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.
- 11.4.3 Claims Settled Out of Court  
If any Agent settles or otherwise disposes of a threatened or pending action brought by or on behalf of the Corporation, with or without court approval, the Agent shall receive no indemnification for amounts paid pursuant to the terms of the settlement or other disposition. Also, in cases settled or otherwise disposed of without court approval, the Agent shall receive no indemnification for expenses reasonably incurred in defending against the proceeding, unless the proceeding is settled with the approval of the Attorney General.
- 11.4.4 Claims and Suits Awarded Against Agent

If any Agent is adjudged to be liable to the Corporation in the performance of the Agent's duty to the Corporation, the Agent shall receive no indemnification for amounts paid pursuant to the judgment, and any indemnification of such Agent under this Article 11 for expenses actually and reasonably incurred in connection with the defense of that action shall be made only if both of the following conditions are met:

- (a) The determination of good faith conduct required by Section 11.4.2 must be made in the manner provided for in Section 11.5; and
- (b) Upon application, the court in which the action was brought must determine that, in view of all of the circumstances of the case, the Agent is fairly and reasonably entitled to indemnity for the expenses incurred. If the Agent is found to be so entitled, the court shall determine the appropriate amount of expenses to be reimbursed.

Section 11.5 Determination of Agent's Good Faith Conduct

The indemnification granted to an Agent in Section 11.3 and Section 11.4 is conditioned on the findings required by those Sections being made by:

- (a) the Board by a majority vote of a quorum consisting of Directors who are not parties to the proceeding; or
- (b) the court in which the proceeding is or was pending. Such determination may be made on application brought by the Corporation or the Agent or the attorney or other person rendering a defense to the Agent, whether or not the application by the Agent, attorney, or other person is opposed by the Corporation.

Section 11.6 Limitations

No indemnification or advance shall be made under this Article 11, except as provided in Section 11.2.1 or Section 11.5(b), in any circumstances when it appears:

- (a) that the indemnification or advance would be inconsistent with a provision of the Articles of Incorporation, as amended, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or
- (b) that the indemnification would be inconsistent with any condition expressly imposed by a court in approving a settlement; or
- (c) that the indemnification would be prohibited by applicable law.

Section 11.7 Advance of Expenses

Expenses incurred in defending any proceeding shall be advanced by the Corporation before the final disposition of the proceeding on receipt of an undertaking by or on behalf of the Agent to repay the amount of the advance, unless it is determined ultimately that the Agent is entitled to be indemnified as authorized in this Article 11.

Section 11.8 Contractual Rights of Non-Directors and Non-Officers

Nothing contained in this Article 11 shall affect any right to indemnification to which persons other than Directors of the Corporation, or any of its subsidiaries, may be entitled by contract or otherwise.

Section 11.9 Insurance

The Board shall from time to time adopt resolutions authorizing and requiring the purchase and maintenance of insurance on behalf of any Agent, as defined in this Article 11, against any liability asserted against or incurred by any Agent in such capacity or arising out of the Agent's status as such, whether or not the Corporation would have the power to indemnify the Agent against the liability under the provisions of this Article 11.

## ARTICLE 12 CORPORATE RECORDS, REPORTS

### Section 12.1 Minute Book

The Corporation shall keep a minute book in written form which may be electronic and which shall contain a record of all actions by the Board or any committee including (i) the time, date and place of each meeting; (ii) whether a meeting is regular or special and, if special, how called; (iii) the manner of giving notice of each meeting and a copy thereof; (iv) the names of those present at each meeting of the Board or any Committee thereof; (v) the minutes of all meetings; (vi) any written waivers of notice, consents to the holding of a meeting or approvals of the minutes thereof; (vii) all written consents for action without a meeting; (viii) all protests concerning lack of notice; and (ix) formal dissents from Board actions.

### Section 12.2 Books and Records of Account

The Corporation shall keep adequate and correct books and records of account. "Correct books and records" includes, but is not necessarily limited to: accounts of properties and transactions, its assets, liabilities, receipts, disbursements, gains, and losses.

### Section 12.3 Articles of Incorporation and Bylaws

The Corporation shall keep at its principal office or such other office as the Board shall determine, the original or a copy of the Articles of Incorporation and Bylaws as amended to date.

### Section 12.4 Maintenance and Inspection of Federal Tax Exemption Application and Annual Information Returns

The Corporation shall at all times keep at its principal office a copy of its federal tax exemption application and, for three years from their date of filing, its annual information returns. These documents shall be open to inspection and copying to the extent required by the Code.

### Section 12.5 Annual Report; Statement of Certain Transactions

The Board shall cause an annual report to be sent to each Director within one hundred twenty (120) days after the close of the Corporation's fiscal year containing the following information:

- (a) A balance sheet as of the end of the fiscal year, an income statement, and a statement of cash flows for the fiscal year, accompanied by an independent accountant's report or, if none, by the certificate of an authorized officer of the corporation that they were prepared without audit from the Corporation's books and records;
- (b) A statement of the place where the names and addresses of current members are located; and
- (c) A statement of any transaction (i) to which the Corporation, its parent, or its subsidiary was a party, (ii) which involved more than \$50,000 or which was one of a number of such transactions with the same person involving, in the aggregate, more than \$50,000, and (iii) in which either of the following interested persons had a direct or indirect material financial interest (a mere common directorship is not a financial interest):
  - (1) Any Director or Officer of the Corporation, its parent, or its subsidiary;
  - (2) Any holder of more than 10% of the voting power of the Corporation, its parent, or its subsidiary. d

The statement shall include: (i) a brief description of the transaction; (ii) the names of interested persons involved; (iii) their relationship to the Corporation; (iv) the nature of their interest in the transaction, and; (v) when practicable, the amount of that interest, provided that, in the case of a partnership in which such person is a partner, only the interest of the partnership need be stated.

- (d) A brief description of the amounts and circumstances of any loans, guaranties, indemnifications, or advances aggregating more than \$10,000 paid during the fiscal year to

any Officer or Director under Article 10 or Article 11.

This Corporation shall annually notify each member of the member's right to receive a copy of the financial report under this Section. On written request by a member, the Board shall promptly cause the most recent annual report to be sent to the requesting member. If the Board approves, the Corporation may send the report and any accompanying material sent pursuant to this Section by electronic transmission.

Section 12.6 Directors' Rights of Inspection

Every Director shall have the absolute right at any reasonable time to inspect the books, records, documents of every kind, and physical properties of the Corporation and each of its subsidiaries. The inspection may be made in person or by the Director's agent or attorney. The right of inspection includes the right to copy and make extracts of documents.

**ARTICLE 13 EXECUTION OF INSTRUMENTS, DEPOSITS AND FUNDS**

Section 13.1 Execution of Instruments

The Board, except as otherwise provided in these Bylaws, may by resolution authorize any officer or agent of the Corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances. Unless so authorized, no officer, agent, or employee shall have any power or authority to bind the Corporation by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

Section 13.2 Checks and Notes

Except as otherwise specifically determined by resolution of the Board, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of the Corporation shall be signed by those persons on behalf of the Corporation as shall, from time to time, be determined by resolution of the Board.

Section 13.3 Deposits

All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies, or other depositories as the Board may select.

Section 13.4 Gifts

The Board may accept on behalf of the Corporation any contribution, gift, bequest, or devise for the purposes of the Corporation.

**ARTICLE 14 CONSTRUCTION AND DEFINITIONS**

Unless the context requires otherwise, the general provisions, rules of construction, and definitions of Nonprofit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of the above, the masculine gender includes the feminine and neuter, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both the Corporation and a natural person. All references to statutes, regulations and laws shall include any future statutes, regulations and laws that replace those referenced.

**ARTICLE 15 AMENDMENTS**

Section 15.1 Amendment by Directors

The Board may adopt, amend or repeal bylaws. Such power is subject to the following limitations:

- (a) Where any provision of these Bylaws requires the vote of a larger proportion of the Directors than otherwise is required by law, such provision may not be altered, amended or repealed

except by the vote of such greater number.

- (b) No amendment may extend the term of a Director beyond that for which such Director was elected.
- (c) If bylaws are adopted, amended or repealed at a meeting of the Board, such action is authorized only at a duly called and held meeting for which written notice of such meeting, setting forth the proposed bylaw revisions with explanations therefor, is given in accordance with these Bylaws, unless such notice is waived in accordance with these Bylaws.
- (d) Those matters requiring approval by the members set forth in Section 15.2.

Section 15.2

Approval by Members

Approval of the members is required for amendments (a) changing a fixed number of directors or changing to or from a fixed and variable number, (b) increasing the length of directors' terms (c) selecting directors by designation, (d) changing the quorum requirement for membership meetings, proxy rights or cumulative voting rights, and (e) terminating all or any class of memberships.

**ARTICLE 16 FORUM FOR ADJUDICATION OF DISPUTES**

Unless the Corporation consents in writing to the selection of an alternative forum, the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of the Corporation to the Corporation or the Corporation's members, (iii) any action asserting a claim arising pursuant to any provision of the California Corporations Code or the Articles of Incorporation or Bylaws (as either may be amended from time to time), or (iv) any action asserting a claim relating to the governance of the Corporation or its internal affairs shall heard in a federal district court or state court located in Orange County, California. Each member shall be deemed to have consented to the personal jurisdiction of the state and federal courts located within Orange County in connection with any action brought in any such court to enforce the preceding sentence.