

BYLAWS
OF
GREENHAVEN '70 CABANA CLUB SOUTH

ARTICLE I.

NAME

Section 1. Name. The name of this corporation is GREENHAVEN '70 CABANA CLUB SOUTH (hereinafter "Club" or "corporation").

ARTICLE II.

LOCATION OF PRINCIPAL OFFICE

Section 1. Principal Office. The principal office for the transaction of the activities and affairs of the corporation shall be located in California. The Board of Directors ("Board") may change the principal office from one location to another so long as the principal office remains in California.

Section 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 conduct its activities.

ARTICLE III.

PURPOSES

Section 1. General Purposes. This corporation is organized under the Nonprofit Corporation Law of California.

Section 2. Specific Purposes. Within the context of the general purposes stated above, the purpose of this corporation is to provide social activities and recreational facilities to its members.

ARTICLE IV.

MEMBERS

Section 1. Voting Members. The Club is organized with members, but without capital stock. There shall be one class of members as follows. Any individual or family interested

in belonging to a swim club, is eligible for voting membership on approval by the Board (or by an individual designated by the Board to make such approvals) and the payment of such dues, fees, and assessments as the Board may establish from time to time. The number of members in the Club shall be limited to 250.

Each member who is a family rather than an individual shall designate in writing which family member shall exercise the voting rights on behalf of the member. The designation shall be filed with the Secretary of the corporation and shall be maintained with the corporate records. Said designation may be changed by written notice to the Secretary of the corporation. In the event of divorce or separation, the membership shall remain with the individual spouse or partner who retains ownership (or residency in the case of a rental) in the house or duplex that is the basis for the membership.

All persons admitted to voting membership in the corporation shall have the rights afforded members under the California Nonprofit Public Benefit Corporation Law, including the right to vote on issues put before the membership. Each voting member shall have one (1) vote on membership issues.

Section 2. Dues, Fees, and Assessments. Each member must pay, within the time and on the conditions set by the Board, the dues, fees, and assessments established from time to time by the Board. Provided however that any special assessment for a capital addition or improvement to the Club's property or facilities must also be approved by a 2/3 vote of the members at a duly called and noticed meeting of the members, or by written ballot pursuant to Section 20 below, in the discretion of the Board.

Section 3. Good Standing. Those Club members who have paid the required dues, fees, and assessments, who conduct themselves in accordance with any policies established by the corporation, and who are not in violation of any bylaw, rule, or policy of the corporation, shall be considered members in good standing.

Section 4. Termination of Membership. Membership shall terminate on the occurrence of any of the following events:

- (a) Resignation of a member upon notice to the corporation;
- (b) Failure of a member to pay any dues, fees, or assessments set by the Board within the period of time fixed by the Board after they become due and payable;
- (c) Failure to meet the definition of voting member as defined in Section 1 above; or
- (d) Expulsion pursuant to Section 6 below.

Section 5. Suspension or Expulsion of Membership. A member may be suspended or expelled in accordance with this Article, based on the good faith determination by the Board, or a committee of the Board authorized to make such a determination, that the member has failed in a material and serious degree to comply with the corporation's

Articles of Incorporation, bylaws, corporate policies, or any law applicable to the corporation and its members, or has engaged in conduct which is unbecoming or prejudicial to the purposes and interests of the corporation.

A person whose membership is suspended shall not be a member in good standing during the period of suspension.

Section 6. Procedure for Suspension or Expulsion. If grounds appear to exist for suspension or expulsion of a member, the procedures set forth below shall be followed:

- (a) The member shall be given 15 days prior notice of the proposed effective date of a suspension or expulsion and the reasons for the proposed suspension or expulsion. Notice shall be given in person or by mail. If notice is by mail, it shall be sent overnight express 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 or in writing, at least five (5) days before the effective date of the proposed suspension or expulsion. The hearing shall be held, or the written statement considered, by the Board or by a committee of the Board authorized to determine whether the suspension or expulsion should take place.
- (c) The Board or committee shall decide whether or not the member should be suspended, expelled or sanctioned in some other way. The decision of the Board or committee shall be final.
- (d) As a specific condition to membership in this organization, every member agrees that any action challenging a suspension or expulsion of membership, including a claim alleging defective notice, must be filed and served on the corporation within one year after the effective date of the suspension or expulsion.

Section 7. Effect of Suspension or Expulsion. All rights of a member of the corporation shall cease upon suspension or expulsion from membership. In the case of expulsion, the member's membership in the corporation shall terminate on the effective date of the expulsion. However, suspension or expulsion shall not relieve the member (or former member) of any existing obligations to the corporation, including delinquent dues, fees, or assessments.

Section 8. No property Rights/No Withdrawal Value. Membership in the corporation does not constitute an ownership interest in any asset of the corporation at any time. If a membership is terminated for any reason, the corporation shall not be liable for the payment of any amount whatsoever to the member. Each member is received into membership (or continues membership) based on his or her express agreement to this provision. This provision is not for the purpose of penalizing any person whose membership shall be forfeited, or otherwise terminated, but rather because no membership will have any real or intrinsic value.

Section 9. Transfer of Memberships. A membership or any right arising from membership may not be transferred to another person without the prior approval of the Board.

Section 10. Liability of Members. Except as limited by law, no member is liable for the corporation's debts, liabilities, or obligations unless a member tries to assert any ownership interest in the Club or its assets.

Section 11. Meetings of Members.

- (a) **Place of Meetings.** Meetings of the members shall be held in any place designated by the Board, these bylaws, or by written consent of a majority of the persons entitled to vote at the meeting, given before or after the meeting.
- (b) **Annual Meeting of Members.** An annual meeting of members shall be held at a time and place determined by the Board. At this meeting, any proper business may be transacted, subject to any limitations in law or these bylaws. Written notice of the annual members' meeting shall be given to all members at least 10 days in advance in accordance with the procedures provided in subsection (d) below.
- (c) **Special Meetings.** A special meeting of the members for any lawful purpose may be called at any time by (1) the Board, (2) the President, or (3) 5% or more of the voting members.

If a special meeting is called by the members, it shall be by written request, specifying the general nature of the business proposed to be transacted and submitted to the President of the corporation. The President shall cause notice to be given promptly to the members entitled to vote. If the Board or President calls the meeting, the meeting date may be any date for which appropriate notice is given in accordance with subsection (d) below. If the meeting is called by the members, the meeting date shall be at least thirty-five (35), but not more than ninety (90) days after receipt of the request. If the notice is not given within twenty (20) days after receipt of the request, the persons requesting the meeting may give the notice.

- (d) **Notice Requirements for Members' Meetings.** Written notice of any membership meeting shall be given, in accordance with these bylaws, to each voting member of the corporation. Subject to any additional requirements in law or these bylaws, the notice shall state the place, date and time of the meeting, the means of electronic transmission by and to the corporation (Corporations Code Sections 20 and 21) or electronic video screen communication, if any, by which members may participate in the meeting, and the general nature of the business to be transacted. The notice of any meeting at which directors are to be elected shall include the names of all those who are nominees at the time the notice is given to members.
- (e) **Manner of Giving Notice for Meetings.** Except as otherwise provided in these bylaws or by law, notice of any meeting of members shall be given

not less than 10 nor more than 90 days before the date of the meeting to each member who, on the record date for notice of the meeting, is entitled to vote; provided, however, that if notice is given by mail, and the notice is not mailed by first-class, registered, or certified mail, that notice shall be given not less than 20 days before the meeting.

Notice of a members' meeting shall be given personally, by electronic transmission (Corporations Code sections 20 and 21), or by regular first class, bulk, or express mail service, addressed to a member at the address of the member appearing on the books of the corporation or given by the member to the corporation for purpose of notice; or if no such address appears or is given, at the place where the principal office of the corporation is located or by publication at least once in a newspaper of general circulation in the county in which the principal office is located. An affidavit of giving of any notice or report in accordance with the provisions section, executed by the Secretary, shall be prima facie evidence of the giving of the notice or report.

Notice given by electronic transmission by the corporation under this subdivision shall be valid only if it complies with Corporations Code Section 20. Notwithstanding the foregoing, notice shall not be given by electronic transmission by the corporation after either of the following:

- (1) The corporation is unable to deliver two consecutive notices to the member by that means.
- (2) The inability to so deliver the notices to the member becomes known to the Secretary or other person responsible for the giving of the notice.

Section 12. Waiver of Notice or Consent. The transactions of any members' meeting, however called or noticed and wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (1) a quorum is present, and (2) either before or after the meeting, each member who is not present in person, signs a written waiver of notice, a consent to holding of the meeting, or an approval of the minutes. The waiver of notice, consent or approval need not specify either the business to be transacted or the purpose of any meeting of members. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes.

A member's attendance at a meeting shall also constitute a waiver of notice of and presence at that meeting, unless the member objects at the beginning of the meeting to the transaction of any business because the meeting was not lawfully called or convened. Also, attendance at a meeting is not a waiver of any right to object to the consideration of matters required to be included in the notice of the meeting, but not so included, if that objection is expressly made at the meeting.

Section 13. Quorum. Twenty (20) of the voting members shall constitute a quorum for the transaction of business at any meeting of members. Provided, however, that if any meeting of members is actually attended by less than one-third of the voting power, the only

matters that may be voted on are those for which the general nature of the action was specified on the notice of the meeting.

Section 14. Loss of Quorum. The members present at a duly called or held meeting at which a quorum is present may continue to transact business until adjournment notwithstanding the withdrawal of enough members to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the members required to constitute a quorum (or by a greater number if required by law or by the articles of incorporation or these bylaws). Any meeting may be adjourned by a majority of those members in attendance, whether or not a quorum is present.

Section 15. Act of the Members. If a quorum is present, the affirmative vote of the majority of the voting power represented at the meeting, entitled to vote and voting on any matter, shall be the act of the members, unless the vote of a greater number is required by law, or by the articles of incorporation or these bylaws.

Section 16. Eligibility to Vote/Number of Votes. Members entitled to vote at any meeting of members shall be all those in good standing as of the date the vote is taken. Each member shall be entitled to one vote at any annual or special meeting of members.

Section 17. Proxies. Proxy voting at membership meetings for membership votes is allowed if the following rules are followed.

(a) Members' Proxy Rights. Each member entitled to vote shall have the right to do so either in person or by one or more agents authorized by a written proxy, signed by the member and filed with the secretary of the corporation. A proxy shall be deemed signed if the member's name is placed on the proxy by the member or the member's attorney-in-fact, whether by manual signature, typewriting, facsimile or otherwise.

(b) Solicited Proxies. If the corporation has 100 or more members, any form of proxy distributed to 10 or more members shall give the member an opportunity to specify a choice between approval and disapproval of each matter or group of related matters and, subject to reasonable specified conditions, shall provide that, when the person solicited specifies a choice in any such matter, the vote shall be cast according to that specification. In an election of directors, any form of proxy that a member marks "withhold," or otherwise marks in a manner indicating that authority to vote for the election of directors is withheld, shall not be voted either for or against the election of a director.

(c) Subject Matter of Proxy to Be Stated. Any proxy covering matters for which a vote of the members is required shall not be valid unless the proxy sets forth the general nature of the matter to be voted on or, in an election of directors, the proxy lists the persons who have been nominated at the time the notice of the vote is given to the members. Such matters include amendments of the articles of incorporation or bylaws changing proxy rights; certain other amendments of the articles of incorporation; removal of directors without cause; filling vacancies on the board of directors; the sale, lease, exchange, conveyance, transfer, or other disposition of all or substantially all corporate assets, unless the transaction is in the usual and regular course of the corporation's

activities; the principal terms of a merger or the amendment of a merger agreement; or the election to dissolve the corporation.

(d) Revocability of Proxies. No proxy shall be valid after the expiration of 11 months from the date of the proxy, unless provided otherwise in the proxy, except that the maximum term of a proxy shall be 3 years after the date of execution. A validly executed proxy shall continue in full force and effect until either.

- (1) It is revoked by the member executing it, before the vote is cast under that proxy, (a) by a writing delivered to the corporation stating that the proxy is revoked, or (b) by a subsequent proxy executed by that member and presented to the meeting, or (c) as to any meeting, by that member's personal attendance and voting at the meeting; or
- (2) Written notice of the death or incapacity of the maker of the proxy is received by the corporation before the vote under that proxy is counted. A proxy may not be irrevocable.

Section 18. Action by Written Ballot Without a Meeting. Any action that may be taken at any meeting of members may be taken without a meeting by complying with the following procedure.

The President shall cause a ballot to be distributed to each member in the manner required by Section 11(d). All solicitations of votes by written ballot shall (1) indicate the number of members responding needed to meet the quorum requirement, (2) state the percentage of approvals necessary to pass the action or actions, and (3) specify the time by which the ballot must be received by the corporation in order to be counted.

Each ballot so distributed shall (1) set forth the proposed action, (2) provide 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.

Action by written ballot shall be valid only when (1) the number of members casting ballots 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.

A written ballot may not be revoked. All written ballots shall be filed with the Secretary of the corporation and maintained in the corporate records for at least three years.

ARTICLE V.

BOARD OF DIRECTORS

Section 1. Powers.

(a) General Corporate Powers. Subject to the provisions and limitations of the California Nonprofit Public Benefit Corporation Law and any other applicable laws, the corporation's activities and affairs shall be managed, and all corporate powers shall be exercised, by or under the direction of the Board.

(b) Specific Powers. Without prejudice to the general powers set forth in subsection (a) above, but subject to the same limitations, the directors may do the following:

- (1) Policies. Adopt policies, rules and procedures for the management and operation of the corporation.
- (2) Administration. Retain an individual employee or consultant, or a management firm, or contract with another entity, to administer the day-to-day activities of the corporation. The Board may also employ, retain, or authorize the employment of such other employees, independent contractors, agents, accountants, and legal counsel as it from time to time deems necessary or advisable in the interest of the corporation, prescribe their duties and fix their compensation.
- (3) Bonds. Require officers, agents, and employees charged by the corporation with responsibility for the custody of any of its funds or negotiable instruments to give adequate bond.
- (4) Borrowing money. Borrow money and incur indebtedness on behalf of the corporation and cause to be executed and delivered for the corporation's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, liens, and other evidences of debt and securities.
- (5) Gifts. Receive and accept gifts, devises, bequests, donations, annuities, and endorsements of real and personal property, and use, hold and enjoy the same, both as to principal and income, and to invest and re-invest the same or any part thereof for the furtherance of any objects, interests or purposes of this corporation.
- (6) Contributions. Make such contributions as the Board determines are necessary and advisable in furtherance of the interests and purposes of this corporation.

- (7) Fiscal Year. Establish and change the fiscal year of the corporation.
- (8) Contracts. Enter into contracts and agreements with individuals and with public and private entities for the advancement of the purposes for which the corporation is organized.
- (9) Property. Acquire, construct and possess real, personal, and intellectual property.
- (10) Bank Accounts and Special Funds. Establish one or more bank accounts and/or special funds in order to accomplish and further the purposes of the corporation.
- (11) Committees. Appoint committees as provided in these bylaws.
- (12) Other. Do and perform all acts and exercise all powers incidental to, or in connection with, or deemed reasonably necessary for the proper implementation of the purposes of the corporation.

Section 2. Number and Qualification of Directors.

- (a) Number. The Board shall consist of nine (9) directors.
- (b) Qualifications. All directors must be individuals who are members in good standing of the Club and who are dedicated to the purposes of this corporation as set forth above.

Section 3. Election; Term of Office; Term limits. At each annual membership meeting, or annually by written ballot (at the discretion of the Board), the voting members shall nominate and elect directors to available director positions. The Board may adopt procedures for the conduct of elections of directors and shall make such procedures available to any member upon request.

The term of office of each director shall be one (1) year and until a successor has been elected and qualified. There shall be no limit on the number of terms a director may serve if he or she remains qualified and elected to the Board. The Board may stagger the terms of the directors using any reasonable method.

Section 4. Removal of Directors. An elected director may be removed from the Board at any time, with or without cause, by a majority vote of the members at any properly called and noticed membership meeting where a quorum is present.

Section 5. Vacancies on Board.

- (a) Events Causing Vacancy. The vacancy or vacancies on the Board shall exist on the occurrence of the following:
 - (1) The death or resignation of any director;

(2) The removal of a director by the members;

(3) The declaration by resolution of the Board of a vacancy in the office of a director who has been declared of unsound mind by an order of court, convicted of a felony, or found by final order or judgment of any court to have breached a duty under the California Nonprofit Public Benefit Corporation Law; or

(4) The increase of the authorized number of directors.

(b) Resignations. Except as provided below, any director may resign by giving written notice to the President or the Secretary. The resignation shall be effective when the notice is given unless it specifies a later time for the resignation to become effective. Except on notice to the Attorney General of California, no director may resign if the corporation would be left without a duly appointed director or directors.

(c) Filling Vacancies. Vacancies on the Board may be filled by a vote of the Board or, if the number of directors then in office is less than a quorum, by (1) the unanimous written consent of the directors then in office, (2) the affirmative vote of a majority of the directors then in office at a meeting held pursuant to notice or waivers of notice complying with these bylaws, or (3) a sole remaining director. The members may elect a director at any time to fill any vacancy of an elected director not filled by the Board. Individuals filling a vacancy must meet all qualifications for a director and shall serve until the end of the term of the director whose seat he/she is filling.

(d) No Vacancy 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.

Section 6. Board Meetings.

(a) Annual Board Meeting. The Board shall hold an annual meeting in conjunction with the annual membership meeting (either the same day or the day after) for purposes of organization, election of officers, and transaction of other business. Notice for the annual board meeting shall be in accordance with the procedures provided in subsection (c) below.

(b) Special Board Meetings. Special meetings of the Board for any purpose may be called at any time by the President or any two directors. Notice of any special meeting shall be given in accordance with subsection (c) below.

(c) Notice. Notice of meetings of the Board, specifying the time and place of the meeting, shall be given to each director at least seven (7) days before the meeting if sent by first-class mail or express mail service, or forty-eight (48) hours before the meeting if personally delivered or delivered by telephone (including a voice messaging system), or by electronic transmission by the corporation (Corporations Code Section 20).

Notice shall be deemed delivered when deposited in the U.S. mail or with an express mail service, postage prepaid, or when received if delivered personally or by telephone, or on its confirmation of delivery if by electronic transmission.

(d) Place of Meetings. Annual and special meetings of the Board shall be held at any place within or outside California that has been designated by resolution of the Board or in the notice of the meeting or, if not so designated, at the principal office of the corporation.

(e) Meetings by Telephone or Video Conference or by Electronic Transmission. Directors may participate in a meeting of the Board through use of conference telephone, electronic video screen communication, or electronic transmission by and to the corporation (Corporation Code Sections 20 and 21).

Participation in a meeting through use of conference telephone or electronic video screen communication constitutes presence in person at that meeting as long as all directors participating in the meeting are able to hear one another.

Participation in a meeting through use of electronic transmission by and to the corporation, other than conference telephone and electronic video screen communication, constitutes presence in person at that meeting if both of the following apply:

(1) Each director participating in the meeting can communicate with all of the other directors concurrently.

(2) Each director is provided the means of participating in all matters before the Board, including, without limitation, the capacity to propose, or to interpose an objection to, a specific action to be taken by the corporation.

(g) Quorum/Act of the Board. A majority of the authorized number of directors shall constitute a quorum for the transaction of business, except to adjourn. Except as specifically provided in these bylaws or in the California Nonprofit Public Benefit Corporation Law, every action taken or decision made by a majority of the directors present at a duly held meeting at which a quorum is present shall be the act of the Board. A meeting at which a quorum is initially present may continue to transact business, despite the withdrawal of directors, if any action taken or decision made is approved by at least a majority of the required quorum for that meeting.

(h) Waiver of Notice. Notice of a meeting need not be given to any director who, either before or after the meeting, signs a waiver of notice, a written consent to the holding of the meeting, or an approval of the minutes of the meeting. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of a meeting need not be given to any director who attends the meeting and does not protest, before or at the commencement of the meeting, the lack of notice to him or her.

(i) **Adjournment.** A majority of the directors present, whether or not a quorum is present, may adjourn any meeting to another time and place.

(j) **Notice of Adjourned Meeting.** Notice of the time and place of holding an adjourned meeting need not be given unless the original meeting is adjourned for more than twenty-four hours. If the original meeting is adjourned for more than twenty-four hours, notice of any adjournment to another 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.

(k) **Board Action Without a 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 that action. The written consent or consents shall be filed with the minutes of the proceedings. An action by written consent shall have the same force and effect as a unanimous vote of the directors.

(l) **Voting Power.** For all purposes, the voting power of each voting director shall be one vote.

(m) **Closed Meetings of the Board.** Any meeting of the Board may be closed by the Board President so that only directors and individuals deemed necessary by the President are present. Members of the corporation who are not directors may attend any Board meeting unless excluded by the President as described in this Section.

Section 7. Compensation and Reimbursement. Directors shall not receive compensation for their service on the Board of Directors. However, directors shall be excused from the annual membership dues levied for each year in which they serve. In the event a director does not finish his/her term, the director must repay the Club for the excused dues (on a pro-rata basis for the period of the term not served). Directors may also receive such reimbursement of expenses as the Board may determine by resolution to be fair and reasonable at the time that the resolution is adopted.

Section 8. Property Rights. No director shall have any property rights in any assets of the corporation.

ARTICLE VI.

OFFICERS

Section 1. Officers of the Corporation. The elected officers of the corporation shall be a President, Vice-President, Secretary, and Treasurer. The offices of Secretary and Treasurer may be combined and held by one director in the discretion of the Board. If combined, the office shall be known as the "Secretary/Treasurer". All officers must be directors.

Section 2. Election of Officers. The elected officers of the corporation shall be elected by the Board from among its directors at the annual meeting.

Section 3. Terms of Office; Term Limits. Officers shall serve at the pleasure of the Board for one-year terms. There is no limit on the number of terms an officer may serve if he or she is a director and continues to be elected to an officer position by the Board.

Section 4. Removal of Officers. Any elected officer may be removed at any time, with or without cause, by a majority vote of the Board at any properly called meeting where a quorum is present.

Section 5. Resignation of Officers. An officer may resign at any time by giving written notice to the President or the Secretary. The resignation shall take effect as of the date the notice is received or at any later time specified in the notice and, unless otherwise specified in the notice, the resignation need not be accepted to be effective.

Section 6. Vacancies in Office. A vacancy in any office because of death, resignation, removal, disqualification, or any other cause shall be filled by a majority vote of the directors present at any annual or special meeting of the Board where a quorum is present. The individual filling a vacant officer position shall serve until the end of the term of the officer whose vacancy he or she is filling.

Section 7. Responsibilities of Officers.

(a) President. The President of the Board shall preside at meetings of the Board and shall exercise and perform such other powers and duties as the Board may assign from time to time.

(b) Vice-President. If the President is absent or disabled, the Vice-President shall perform all duties of the President. When so acting, the Vice-President shall have all powers of and be subject to all restrictions on the President. The Vice-President shall have such other powers and perform such other duties as the Board or the Bylaws may prescribe.

(c) Secretary.

(i) Book of Minutes. The Secretary shall keep or cause to be kept, at the corporation's principal office or such other place as the Board may direct, a book of minutes of all meetings, proceedings, and actions of the Board, and committees of the Board. The minutes of meetings shall include the time and place that the meeting was held, whether the meeting was annual or special, and, if special, how authorized, the notice given, and the names of those present at the Board and committee meetings. The Secretary shall keep or cause to be kept, at the principal office in California, a copy of the Articles of Incorporation and the Bylaws, as amended to date.

(ii) Notices, Seal, and Other Duties. The Secretary shall give, or cause to be given, notice of all meetings of the Board and of its committees required by these Bylaws. The Secretary shall keep the corporate seal, if any, in safe custody and shall have such other powers and perform such other duties as the Board or the Bylaws may prescribe.

(iii) If the President and Vice-President are both absent or unable to serve, the Secretary shall perform all the duties of the President. When so acting, the Secretary shall have all powers of and be subject to all restrictions on the President.

(d) Treasurer.

(i) Books of Account. The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct books and accounts of the corporation's properties and transactions. The Treasurer shall send or cause to be given to the directors such financial statements and reports as are required to be given by law, by these Bylaws, or by the Board. The books of account shall be open to inspection by any director at all reasonable times.

(ii) 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 the Board may designate, shall disperse the corporation's funds as the Board may order, shall render to the President, the CEO, if any, and the Board, when requested, an account of all transactions as Treasurer and of the financial condition of the corporation, and shall have such other powers and perform such other duties as the Board or the Bylaws may prescribe.

ARTICLE VII.

COMMITTEES

Section 1. Committees of the Board. The Board, by resolution, may create one or more committees of the Board, each consisting of two or more directors *and no persons who are not directors*, to serve at the pleasure of the Board. Appointments to committees of the Board shall be by a majority vote of the directors then in office. Any such committee, to the extent provided in the Board resolution, shall have all the authority of the Board, except that no committee, regardless of Board resolution, may:

(a) Fill vacancies on the Board or on any committee that has the authority of the Board;

(b) Fix compensation of the directors for serving on the Board or on any committee;

(c) Amend or repeal Bylaws or adopt new Bylaws;

(d) Amend or repeal any resolution of the Board that by its express terms is not so amendable or repealable;

(e) Create any other committees of the Board or appoint the members of committees of the Board; or

(f) Approve any contract or transaction to which the corporation is a party and in which one or more of its directors has a material financial interest, except as special approval is provided for in Section 5233(d)(3) of the California Corporations Code.

Section 2. Notice Requirements for Committees of the Board. Written notice requirements for meetings of committees of the Board shall be the same as for Board meetings as described in Article V, Section 6.

Section 3. Quorum for Committees of the Board. A majority of the voting members of any committee of the Board shall constitute a quorum, and the acts of a majority of the voting members present at a meeting at which a quorum is present shall constitute the act or recommendation of the committee.

Section 4. Advisory Committees. The Board may also establish advisory committees composed of any number of individuals (either directors or non-directors or both). Advisory committees shall provide advice and recommendations to the Board but shall not have the authority of the Board or any final decision making authority.

Section 5. Meetings by Telephone or Video Conference or by Electronic Transmission. Any meeting of a committee may be held by telephone or video conference or by electronic transmission in the same manner provided for in Article V of these bylaws.

ARTICLE VIII.

LIABILITY, INDEMNIFICATION, AND INSURANCE

Section 1. Liability. No volunteer director or officer shall be liable to third parties if the volunteer director or officer has met the requirements for good faith performance of his or her duties prescribed by the California Nonprofit Public Benefit Corporation Law and the corporation has met its duties relative to insurance required by the California Nonprofit Public Benefit Corporation Law.

Section 2. Right of Indemnity. To the fullest extent permitted by law, this corporation shall indemnify its directors, officers, employees, and other persons described in Section 5238(a) of the California Corporations Code, including persons formerly occupying any such position, against all expenses, judgments, fines, settlements and other amounts actually and reasonably incurred by them in connection with any "proceeding", as that term is used in that section, and including an action by or in the right of the corporation, by reason of the fact that the person is or was a person described in that section. "Expenses," as used in this Bylaw, shall have the same meaning as in Section 5238(a) of the California Corporations Code.

Section 3. Approval of Indemnity. On written request to the Board by any person seeking indemnification under Section 5238(b) or Section 5238(c) of the California Corporations Code, the Board shall promptly determine under Section 5238(e) of the California Corporations Code whether the applicable standard of conduct set forth in Section 5238(b) or Section 5238(c) has been met and, if so, the Board shall authorize indemnification.

Section 4. Insurance. The Board shall authorize the purchase and maintenance of an insurance policy or policies on behalf of its directors, officers, and employees against any liabilities, other than for violating provisions against self-dealing, incurred by the director, officer, or employee in such capacity or arising out of their status as such. Such policy shall meet the requirements set forth in Corporations Code Section 5239.

ARTICLE IX.

RECORDS AND REPORTS

Section 1. Maintenance of Corporate Records. The corporation shall keep:

- (a) Adequate corporate books and records of account;
- (b) Written minutes of the proceedings of its Board and committees of the Board;
and
- (c) A record of each member's and each director's name, address, telephone number, facsimile number, and electronic mail address, if any.

Section 2. Maintenance of Articles and Bylaws. The corporation shall keep at its principal office the original or a copy of the Articles of Incorporation and Bylaws, as amended to date.

Section 3. Inspection of Corporate Records. Members and directors shall have the right to inspect the corporation's books, records, and documents to the extent allowed by the California Nonprofit Public Benefit Corporation Law.

Section 4. Annual Report. The Board shall cause an annual report to be sent to directors within 120 days after the end of the corporation's fiscal year. That report should contain the following information, in appropriate detail, for the fiscal year:

- (a) The assets and liabilities, including the trust funds, of the corporation as of the end of the fiscal year.
- (b) The principal changes in assets and liabilities, including trust funds.
- (c) The revenue or receipts of the corporation, both unrestricted and restricted to particular purposes.
- (d) The expenses or disbursements of the corporation for both general and restricted purposes.
- (e) Any information required by Section 5 of this article.

The annual report shall be accompanied by any report of independent accountants or, if there is no such report, by the certificate of an authorized officer of the corporation that such statement were prepared without audit from the corporation's books and records.

This requirement of an annual report shall not apply if the corporation receives less than \$25,000 in gross receipts during the fiscal year, provided, however, that the information specified above for inclusion in an annual report must be furnished annually to all directors who request it in writing.

Section 5. Annual Statement of Certain Transactions and Indemnifications.

If any of the following types of transactions or indemnifications occurred during the previous fiscal year, then as part of the annual report to all directors, or as a separate document if no annual report is issued, the corporation shall prepare and mail or deliver to each director a statement of any such transaction or indemnification within 120 days after the end of the corporation's fiscal year:

- (a) Any transaction:
 - (i) in which the corporation, its parent or its subsidiary was a party,
 - (ii) in which an "interested person" had a direct or indirect material financial interest, and
 - (iii) which involved more than \$50,000, or was one of a number of transactions with the same "interested person" involving, in the aggregate, more than \$50,000.

The statement shall include a brief description of the transaction, the names of "interested persons" involved, their relationship to the corporation, the nature of their interest in the transaction and, if practicable, the amount of that interest, provided that if the transaction was with a partnership in which the "interested person" is a partner, only the interest of the partnership need be stated.

- (b) Any indemnifications or advances aggregating more than \$10,000 which were paid during the fiscal year to any officer or director of the corporation.

ARTICLE X.

MISCELLANEOUS

Section 1. Fiscal Year. Unless changed by the Board, the fiscal year of the corporation shall begin on January 1 and end on December 31 of each year.

Section 2. Conflicts of Interest. Board members and committee members must actively seek to avoid situations and activities that create an actual or potential conflict between the individual's personal interests and the interests of the corporation. If a Board member or committee member believes that a conflict exists relative to a particular issue being considered by the Board or any committee, he or she shall disclose the conflict to the Board or committee, as appropriate, and abstain from discussion or voting on the issue.

For purposes of this section and these bylaws, a “conflict of interest” means a situation in which a board or committee member is part of a discussion or decision by the board or a committee which has the potential to financially benefit that board or committee member or a member of that board or committee member’s immediate family. “Immediate family” means, spouse or same-sex/domestic partner, children, parents, siblings, parents-in-law, or siblings-in-law.

Both the fact and the appearance of a conflict of interest should be avoided. Board members or committee members who are unsure as to whether a certain transaction, activity, or relationship constitutes a conflict of interest should discuss it with the President, who will determine whether disclosure to the Board or the assistance of legal counsel is required.

Section 3. Intellectual Property. All intellectual property prepared or purchased by or on behalf of the corporation, including but not limited to the corporate name, logo, newsletters, educational, promotional, and training materials, contracts, service marks, membership lists, contributor lists, blogs, websites and website text, and research results, shall be the exclusive property of the corporation and Board members agree to deal with it as such. Board members agree that they will not sell, transfer, publish, modify, distribute, or use for their own purposes, the intellectual property belonging to the corporation without the prior approval of the Board memorialized in a writing signed by the President.

Section 4. Required Filings and Disclosures. The Board shall ensure that the required filings are made at applicable state and federal agencies, including but not necessarily limited to filings required by the Secretary of State, the State Attorney General’s office, the Internal Revenue Service, and the Franchise Tax Board.

Section 5. Construction and Definitions. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the Nonprofit Public Benefit Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of this provision, the singular includes the plural, the plural includes the singular, the masculine includes the feminine and neuter, and the term "person" includes both an individual and an entity.

ARTICLE XI.

AMENDMENTS

Section 1. Amendments. These Bylaws may be amended, or repealed and new bylaws adopted, by a majority vote of the Board at any properly called meeting where a quorum is present.

However, approval of the voting members is also required for any amendment or for new bylaws that would:

- (a) Materially and adversely affect the members’ rights as to voting or dissolution;

- (b) Effect an exchange, reclassification, or cancellation of all or part of the memberships;
- (c) Authorize a new class of membership;
- (d) Change the number of authorized directors;
- (e) Change from a fixed number of directors to a variable number of directors, or vice versa;
- (f) Increase or extend the terms of directors;
- (g) Allow any director to hold office by designation or selection rather than by election by the members;
- (h) Increase the quorum for members' meetings; or
- (i) Repeal, restrict, create, expand, or otherwise change proxy rights.

All proposed bylaw amendments or new bylaws must be sent to all directors and/or members eligible to vote on such amendments or new bylaws at least three (3) days prior to the meeting at which the amendments or new bylaws will be discussed and voted on (or at least 10 days prior to the deadline for returning any ballot if approval is requested pursuant to written ballot).

ARTICLE XII.

DISSOLUTION

Section 1. Voluntary Dissolution by Vote. The corporation may be dissolved at any time by a majority vote of the voting members at a properly called and noticed meeting where a quorum is present. If the membership votes in favor of dissolution, the directors shall promptly cease operations and proceed to dissolve the corporation.

Section 2. Remaining Assets. Upon the dissolution of the corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation shall be distributed to a nonprofit organization which is organized and operated exclusively for charitable purposes and which has established its tax exempt status under Section 501(c)(3) of the Internal Revenue Code.