



## **BYLAWS**

OF THE

# **PC/104™ CONSORTIUM**

A California Non-Profit Mutual Benefit Corporation

*As amended April 2006*

## ARTICLE I. NAME AND OFFICES

### Section 1.1 Name

This corporation shall be known as the PC/104 Consortium (hereinafter referred to as the "Corporation". (PC/104 is a trademark of the PC/104 Consortium.)

### Section 1.2 Principal Office

The principal office of the Corporation shall be located at a location to be determined from time to time by the Board of Directors.

### Section 1.3 Other Offices

Branch or subordinate offices may at any time be established by the Board of Directors at any place or places.

### Section 1.4 Non-Profit Status

The Corporation shall be a non-profit corporation and is not empowered to engage directly or indirectly in any activity, including distribution of its assets upon dissolution, that would in-validate its status as an organization exempt from federal income taxation under section 501(c) of the Internal Revenue Code of 1954, as amended (hereinafter referred to as the "Code"), by virtue of being an organization described in section 501(c) of the Code. All references to the Code contained herein are deemed to include corresponding provisions of any future United States Internal Revenue Law.

## ARTICLE II. MEMBERS

### Section 2.1 Control Group

A Control Group shall be treated as a single Member for the purpose of limiting the number of Directors who are employees or representatives of entities which are part of the same Control Group.

For purposes of this section, "Control" shall mean the power to direct or cause the direction of management and policies of a corporation or other entity, and "Control Group" shall include all corporations or other entities which are controlled by a Member, which control the Member, or which are also controlled by the corporation or entity controlling the Member.

Each Control Group which is controlled by a Member, which controls a Member, or is controlled by a corporation or entity controlling a member shall be entitled to nominate at most one candidate for election as a Director of the Corporation. Entities which are part of a Control Group may each join the Corporation in any class of membership and vote accordingly.

### Section 2.2 Conditions of Executive Membership

Executive Members of the Corporation shall be any person or entity (whether corporation, partnership, sole proprietorship, firm or organization, or a department or subdivision thereof) (i) whose interest or objective involves the design, development, or application of hardware or software products which incorporate or depend upon the PC/104, EBX or EPIC or any other embedded microcomputer standards adopted by or administered by the Corporation, or (ii) who meets such other criteria for admission as shall be established by the Board of Directors from time to time; provided that such persons or entities shall not become Executive Members except upon payment of such initiation fees and annual dues as may be determined by the Board of

Directors. An Executive Member shall remain in good standing provided all subsequent dues, assessments, and fees, together with such penalties for late payment as may be determined by the Board of Directors, have been paid within the period set by the Board of Directors, and the Executive Member continues to meet all of the other requirements of Executive Membership. Failure of an Executive Member to pay any dues or assessments will create no liability of the Executive Member to the Corporation.

### **Section 2.3 Privileges of Executive Membership**

Each Executive Member in good standing shall be afforded access to a seat on the Board of Directors as stated in Section 4.2. Each Executive member shall be entitled to vote as a member on each matter submitted to a vote of the Voting Members (as defined in Section 3.1). Executive Members shall be entitled to nominate representatives to serve as voting members of any committee established from time to time by the Board of Directors of the Corporation. Executive Members who fail to be in good standing shall not be entitled to vote on any matter and may be removed from the Board of Directors as provided in Section 4.5. Additionally, Executive Members shall have all of the rights under the Non-Profit Corporation Law of the State of California as amended from time to time (the "Non-Profit Corporation Law") which are afforded to Members (as defined in Section 5056 thereof) and shall receive all publications of the Corporation which are intended for regular distribution as may be determined by the Board of Directors.

### **Section 2.4 Conditions of Associate Membership**

Associate Members of the Corporation shall be any person or entity (whether corporation, partnership, sole proprietorship, firm or organization, or a department or subdivision thereof) (i) whose interest or objective involves the design, development, or application of hardware or software products which incorporate or depend upon the PC/104, EBX or EPIC or any other embedded microcomputer standard adopted by or administered by the Corporation, or (ii) who meets such other criteria for admission as shall be established by the Board of Directors from time to time; provided that such persons or entities shall not become Associate members except upon payment of such initiation fees and annual dues as may be determined by the Board of Directors. An Associate Member shall remain in good standing provided all subsequent dues, assessments, and fees, together with such penalties for late payment as may be determined by the Board of Directors, have been paid within the period set by the Board of Directors, and the Associate Member continues to meet all of the other requirements of Associate Membership. Failure of an Associate Member to pay any dues or assessments will create no liability of the Associate Member to the Corporation.

### **Section 2.5 Privileges of Associate Membership**

Each Associate Member in good standing shall be entitled to vote on each matter submitted to a vote of the Voting Members (as defined in Section 3.1). Associate Members shall be entitled to nominate representatives to serve as voting members of any committee established from time to time by the Board of Directors of the Corporation. Associate Members shall be eligible to serve as and vote for a single "Associate-Member" representative on the Board of Directors as provided in Section 4.3(b). Associate Members who fail to be in good standing shall not be entitled to vote on any matter. Additionally, Associate Members shall have all of the rights under the Non-Profit Corporation Law of the State of California as amended from time to time (the "Non-Profit Corporation Law") which are afforded to Members (as defined in Section 5056 thereof) and shall receive all publications of the Corporation which are intended for regular distribution as may be determined by the Board of Directors.

## **Section 2.6 Condition of Affiliate Membership**

Any person or entity (whether corporation, partnership, sole proprietorship, firm or organization, or a department or subdivision thereof) whose participation the Board has determined, in the Board's sole discretion, would advance the purposes of the Corporation shall be eligible to be an Affiliate Member of the Corporation, provided that such persons or entities shall not become Affiliate Members except upon payment of such initiation fees and annual dues as may be determined by the Board of Directors. An Affiliate Member shall remain in good standing provided all subsequent dues, assessments and fees, together with such penalties for late payment as may be determined by the Board of Directors, have been paid within the period set by the Board of Directors and the Affiliate Member continues to meet all of the other requirements of Affiliate Membership. Failure of an Affiliate Member to pay any dues or assessments will create no liability of the Affiliate Member to the Corporation.

## **Section 2.7 Privileges of Affiliate Membership**

An Affiliate Member shall not have voting rights but shall have all of the other privileges of a Member of the Corporation. Affiliate Members may attend committee meetings as observers. Affiliate Members shall have all of the other rights under the Non-Profit Corporation Law of the State of California as amended from time to time (the "Non-Profit Corporation Law") which are afforded to Members (as defined in Section 5056 thereof) and shall receive all publications of the Corporation which are intended for regular distribution as may be determined by the Board of Directors.

## **Section 2.8 Other Classes of Members**

The Voting Members may create, by adopting an amendment to these Bylaws, one or more classes of membership in the Corporation and may prescribe the designations, voting rights (if any), powers, privileges and method of selection of Members of each such class. Additional voting and non-voting memberships, if any, in the Corporation, are collectively referred to in these Bylaws as a "Membership," and a person or entity holding a Membership is referred to in these Bylaws as a "Member."

## **Section 2.9 Deprivation or Suspension of Membership**

Any Member may be deprived of his or her Membership or be suspended as a Member for cause by a majority vote of the Board of Directors or of the Voting Members represented and voting at a duly held meeting at which a quorum is present (which affirmative vote also constitutes a majority of the required quorum) or a written ballot in conformity with Section 3.11 of these Bylaws. No deprivation or suspension of Membership shall be effective unless:

- (a) The Member is given notice of the proposed deprivation or suspension of Membership and of the reasons therefore;
- (b) Such notice is delivered personally or by first class or registered mail sent to the last address of the Member shown on the Corporation's records;
- (c) Such notice is given at least fifteen days prior to the effective date of the proposed deprivation or suspension of Membership;
- (d) Such notice sets forth a procedure determined by the body authorized to decide whether or not the proposed deprivation or suspension take place whereby the Member is given the opportunity to be heard by such body, either orally or in writing, not less than five days before the effective date of the proposed deprivation or suspension.

### **Section 2.10 Resignation by Member; Assignment of Membership**

A Member may resign as a Member at any time.

Membership in the Corporation may not be assigned without the written approval of the Corporation, and any purported assignment without such written approval shall be null and void.

### **Section 2.11 Membership Book**

The name and address of each Member shall be contained in a Membership Book to be maintained at the principal office of the Corporation. Termination of any Membership shall be recorded in the book together with the date of such termination. The Members shall be responsible for apprising the Corporation of all changes of name and address and such other information as may be required by the Non-Profit Corporation Law.

### **Section 2.12 Levy of Dues, Assessments or Fees**

The Corporation may levy dues, assessments or fees upon its Members, but a Member upon learning of any such dues, assessments or fees may avoid liability therefore by promptly resigning from Membership, except where the Member is, by contract or otherwise, liable for such dues, assessments or fees. No provision of the Articles of Incorporation or Bylaws of the Corporation authorizing such dues, assessments or fees shall, of itself, create such liability.

## ARTICLE III. MEETINGS OF VOTING MEMBERS

### **Section 3.1 Voting Members**

Executive and Associate Members shall be known as Voting Members and shall have such voting rights as defined in Article II. Affiliate Members or other member categories shall not be eligible to vote as Voting Members, but shall be permitted to attend the meetings of the Voting Members.

### **Section 3.2 Place and Hour of Meetings**

All meetings of the Voting Members shall be held either at the principal office of the Corporation or at such other place within or without the State of California and at such hour as may be designated by the Board of Directors in the notice of such meeting or in the waiver of notice thereof.

### **Section 3.3 Annual Meetings**

The annual meetings of Voting Members shall be held on such day and at such hour as may be fixed by the Board of Directors. The election of the Associate-Member Director shall be held at the annual meeting unless the Directors are chosen by written ballot pursuant to Section 3.9 of these Bylaws or in some other manner authorized by the Non-Profit Corporation. Also the annual roster of Executive Member Directors selecting service for any given year shall be established and confirmed at the Annual Meeting. Any other proper business may be transacted.

### **Section 3.4 Special Meetings**

Special meetings of the Voting Members may be called at any time by the Board of Directors, the Chairman of the Board, the President, or by Voting Members entitled to cast not less than thirty percent of the total votes of the Corporation's Voting Membership.

Upon request by any person or persons entitled to call a special meeting of the Voting Members, the Chairman of the Board, President, Vice President or Secretary shall, within twenty days after receipt of the request, cause notice to be given to the Voting Members entitled to vote at such meeting that a special meeting will be held at a time chosen by the Board of Directors, but not less than thirty-five not more than ninety days after receipt of the request.

### **Section 3.5 Notice of Meetings or Reports**

(a) Written notice of each annual or special meeting of Voting Members shall be given not less than ten days nor more than ninety days before the date of the meeting to each Voting Member entitled to vote thereat; 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 twenty days before the meeting. Such notice shall be given either personally or by mail or other means of written communication, addressed or delivered to each such Voting Member at the address of such Voting Member appearing on the books of the Corporation or given by the Voting Member to the Corporation for the purpose of such notice. If no such address appears or is given, notice shall be given either personally or by mail or other means of written communication addressed to the Voting Member at the place where the principal office of the Corporation is located, or by publication at least once in the Corporation's regular newsletter, if any, or in a newspaper of general circulation in the county in which the principal office of the Corporation is located. The notice shall be deemed to have been given at the time when delivered personally or deposited in the mail or sent by other means of written communication.

(b) All such notices shall state the place, the date and the hour of such meeting, and shall state such matters, if any, as may be expressly required by the Non-Profit Corporation Law.

(c) The notice (or a written waiver of notice) must state the general nature of any proposed action with respect to the following: (i) removing a Director ; (ii) filling vacancies on the Board of Directors; (iii) amending the Articles of Incorporation; (iv) approving a contract or transaction in which a Director has a material financial interest; (v) approving the dissolution of the Corporation; or (vi) approving a plan of distribution of assets, other than cash, in liquidation when the Corporation has more than one class of voting membership outstanding.

(d) The notice of any regular, annual, or special meeting at which a Director is to be elected shall include the names of all those who are nominees at the time the notice is given. Notices of any regular meeting of Voting Members shall state those matters which the Board of Directors, at the time of the giving of the notice, intends to present for action by the Voting Members, but, except as provided from time to time by the Non-Profit Corporation Law, any proper matter may be presented for action at the meeting, provided the number of Voting Members attending the meeting constitutes a quorum and is empowered to vote upon the matter under Section 3.8. Notices of any special meetings shall specify the general nature of the business to be transacted thereat and no other business may be transacted except as may from time to time be permitted pursuant to the Non-Profit Corporation Law.

(e) All notices shall be sent by the Secretary or an Assistant Secretary, or if there be no such officer, or in the case of such officer's neglect or refusal to act, by any other officer, or by those persons calling the meeting.

(f) The same procedure for the giving of notice shall apply to the giving of any report to Voting Members.

### **Section 3.6 Adjournment of Meetings**

Any annual or special meeting of the Voting Members, whether or not a quorum is present, may be adjourned from time to time by the vote of a majority of votes of the Voting Members present,

but in the absence of a quorum, no other business may be transacted at such meeting, except as provided in Section 3.8 of these Bylaws.

### **Section 3.7 Voting**

(a) Each Voting Member shall be entitled to vote on each matter submitted to a vote of the Voting Members.

(b) Only Members designated in Section 3.13 shall be eligible to vote for the Associate-Member Directors.

(c) Vote may be by voice vote or by ballot as determined by the presiding officer of the meeting, provided, however, that election of the Associate-Member Director must be by ballot and in accordance with Section 3.13.

### **Section 3.8 Quorum**

(a) A quorum for any meeting of the Voting Members shall be defined as that number of Voting Members necessary to cast thirty-three percent (33%) of the total votes of the Voting Membership. If a quorum is present, the affirmative vote of a majority of the votes of the Voting Members represented at the meeting and entitled to vote on any matter shall be the act of the Voting Members, unless otherwise required by the Articles of Incorporation or the Non-Profit Corporation Law.

(b) The Voting Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Voting Members to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of votes of the Voting Members required to constitute a quorum.

### **Section 3.9 Action Without Meeting**

(a) Any action which may be taken at any meeting of Voting Members may be taken without a meeting and without prior notice, if the Corporation distributes a written ballot to every Voting Member, and if (i) the number of votes cast by ballot within the time period specified in the ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and (ii) the number of approvals equals or exceeds the number of votes that would be required to approve at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

(b) Ballots shall set forth the proposed action, provide an opportunity to specify approval or disapproval of any proposal, and provide a reasonable time within which to return the ballot to the Corporation. Ballots shall be delivered either personally or by mail or other means of written communication, addressed to the Voting Members at the address of each such Voting Member appearing on the books of the Corporation or given by the Voting Member for the purpose of receiving notices. If no address appears on the books of the Corporation or has been given to the Corporation, or if ballots are returned by the United States Postal Service as undeliverable, ballots for such Voting Members shall be solicited in a manner consistent with the requirements of the Non-Profit Corporation Law. All such solicitations shall indicate the number of responses needed to meet the quorum requirement and, with respect to ballots other than for the election of directors, shall state the percentage of approvals necessary to pass the measure submitted. The solicitation must specify the time by which the ballot must be received in order to be counted.

(c) A written ballot may not be revoked.

(d) The Associate-Member Director may be elected by written ballot under this section.

### **Section 3.10 Proxies**

Voting Members entitled to vote may only do so in person, and may not exercise any voting rights by proxy.

### **Section 3.11 Form of Written Ballot**

(a) If the Corporation has one hundred or more Voting Members at the time a written ballot is solicited, the form of any such written ballot distributed to ten or more Voting Members of the Corporation shall afford an opportunity on the form of written ballot to specify a choice between approval and disapproval of each matter or group of related matters intended, at the time the written ballot is distributed, to be acted upon by such written ballot, and shall provide, subject to reasonable specified conditions, that where the person solicited specifies a choice with respect to any such matter the vote shall be cast in accordance therewith.

(b) In any election of Directors, any form of written ballot in which the Directors to be voted upon are named therein as candidates and which is marked by an Executive Member "withhold" or otherwise marked in a manner indicating that the authority to vote for the election of directors is withheld shall not be voted either for or against the election of a director.

(c) Failure to comply with this section shall not invalidate any action taken by the Corporation, but may be the basis for challenging any written ballot.

### **Section 3.12 Inspectors of Election**

(a) In advance of any meeting of Voting Members, the Board of Directors may appoint inspectors of election to act at the meeting and any adjournment thereof. If inspectors of election are not so appointed, or if any persons so appointed fail to appear or refuse to act, the chairman of any meeting of Voting Members may, and on the request of any Voting Member shall, appoint inspectors of election (or persons to replace those who so fail or refuse) at the meeting. The number of inspectors shall be either one or three. If appointed at a meeting on the request of one or more Voting Members, a majority of the votes of the Voting Members represented shall determine whether one or three inspectors are to be appointed.

(b) The inspectors of election shall determine the number of Memberships outstanding and the voting power of each, the number represented at the meeting, the existence of a quorum, receive votes, ballots or consents, hear and determine all challenges and questions in any way arising in connection with the right to vote, count and tabulate all votes or consents, determine when the polls shall close, determine the result and do such acts as may be proper to conduct the election or vote with fairness to all Voting Members.

(c) The inspectors of election shall perform their duties impartially, in good faith, to the best of their ability and as expeditiously as is practical. If there are three inspectors of election, the decision, act or certificate of a majority is effective in all respects as the decision, act or certificate of all. Any report or certificate made by the inspectors of election is prima face evidence of the facts stated therein.

### **Section 3.13 Nomination and Election Procedures**

(a) The Associate-Member Director shall be elected by the Voting Members, by voice vote or ballot, at the Annual Meeting or at any other time as determined by the Board of Directors. At the Annual Meeting, or other meeting where the Associate-Member Director is elected, the Board of Directors shall select a Chief Election Official and that individual shall accept and confirm all



previously received nominations, as well as nominations from the floor, and establish a reasonable election procedure given the nature, size, and operations of the meeting. The Election Official shall, prior to taking a vote, secure Board approval of the nominees and the election procedure. Whenever possible, the same procedure will be used to elect a Director. A nominee must be present at the meeting, or notify the President in writing at least ten (10) days in advance of the meeting, that he/she is qualified and willing to serve on the Board of Directors. Nominees present in person shall have a reasonable opportunity to communicate to the Board and voting Members present, his/her qualifications, and the reasons for the nominee's candidacy. If at any time the Corporation has more than five hundred Members, the Corporation shall comply with the provisions of Sections 7521 through 7523 of the Non-Profit Corporation Law.

(b) Upon written request by any nominee for election to the Board of Directors (and the payment with such request of the reasonable costs of mailing (including postage)), the Corporation shall within ten (10) business days after such request mail to all voting Members, or such portion of them as the nominee may reasonably specify, any material which the nominee may furnish and which is reasonably related to the election.; or, in the alternative, and at the option of the Corporation, the Corporation shall within five business days after the request allow the nominee the right to inspect and/or obtain a copy of the record of all Executive Members' names, addresses and voting rights as provided by Section 8330 of the Non-Profit Corporation Law.

### **Section 3.14 Order of Business**

The order of business at all meetings of Voting Members shall be as determined by the presiding officer, but the order of business to be followed at any meeting at which a quorum is present may be changed by a vote of the Voting Members.

## ARTICLE IV. DIRECTORS

### **Section 4.1 Powers**

Subject to the limitations stated in the Articles of Incorporation, these Bylaws, and the Non-Profit Corporation Law as to actions which shall be approved by the Voting Members, and subject to the duties of Directors as prescribed by the Non-Profit Corporation Law, all corporate powers shall be exercised by, or under the direction of, and the business and affairs of the Corporation shall be managed by, the Board of Directors. The individual Directors shall act only as members of the Board of Directors, and the individual Directors shall have no power as such.

### **Section 4.2 Number of Directors**

The number of Directors of the Corporation shall not be less than one nor more than the number of qualified Executive Members in good standing in any given year, plus the one (1) elected Associate-Member Director. All Executive Members are eligible to serve on the Board of Directors.

### **Section 4.3 Election, Term of Office, and Qualifications**

(a) Executive Member Directors.

(i) All Executive Members shall be eligible to serve on the Board of Directors. Executive Member Directors wishing to serve on the Board of Directors shall serve one (1) year terms, and may serve unlimited terms. All such Directors shall have full voting rights.

(ii) In order to serve or continue to serve as a Director, each Executive Member shall indicate, in writing to the Chairman of the Board, his/her desire to serve on the Board in the following year. This notice must be provided verbally at the Annual Meeting, or in writing to the Chairman at least ten (10) days before the Annual Meeting. The Chairman may make exceptions

to the notice period. Based on such notice, the Chairman shall, at the Annual Meeting, create and publish a roster of Executive Member Directors for the upcoming year.

(iii) In the event an Executive Member does not provide notice in any given year, that Executive Member shall be removed from the roster. The Executive Member, provided that he/she remains in good standing in the interim, may provide notice at a regular Board meeting and join the Board of Directors. In the event that an Executive Member is removed by the Board of Directors, or is removed for non-participation, then that Executive Member shall not be eligible to serve on the Board for a period of three (3) years.

(b) Associate-Member Director.

(i) There shall be one (1) Associate-Member Director who shall be elected in accordance with Section 3.13 and shall serve a term of two (2) years, or until a successor is elected and qualified. The Associate-Member Director shall have the right to vote.

(ii) To qualify, and during his/her tenure on the Board of Directors, the Associate-Member Director must be employed by an Associate member.

(iii) Each associate member elected as an Associate-Member Director shall be eligible to serve a single two year term and shall not be eligible for re-election to additional terms as Associate-Member Director. Should the Associate-Member Director upgrade membership to Executive level, nothing in this clause should be construed to prevent the member from exercising all the rights of Executive level membership including serving as an Executive-Member Director as outlined in this section.

(c) At each annual meeting, the Board shall elect an individual to serve as the Chairman of the Board for a one (1) year term. The Chairman of the Board of Directors shall be a voting member of the Board.

(d) Each voting Director shall designate an Alternate Director, who shall be approved by a majority of the Board of Directors then in office. The Alternate Director shall be an employee of the Executive Member with whom the Director is employed. Alternate Directors shall be entitled to attend all regular and special meetings of the Board of Directors and shall be entitled to vote at any such meeting if the Director is not present. All references herein to Directors shall include Alternate Directors, as appropriate.

(e) If a Director ceases to be employed by the Executive Member with whom he or she was employed at the time of his or her election to the Board of Directors, then that Director shall automatically be removed from office. The resulting vacancy shall be filled in accordance with Section 4.6.

#### **Section 4.4 Resignation**

Any Director may resign at any time by giving written notice of such resignation to the Chairman of the Board, the President, the Secretary, or the Board of Directors of the Corporation. Such resignation shall take effect at the time specified in the notice; provided, however, that if the resignation is not to be effective upon receipt of the notice by the Corporation, the Corporation must accept the effective date specified. If the resignation is effective at a future time, a successor may be elected to take office when the resignation becomes effective.

#### **Section 4.5 Removal**

(a) The Board of Directors may declare vacant the office of a Director who has been declared of unsound mind by a final order of court, or convicted of a felony, or, in the case the Corporation is holding assets in charitable trust, been found by a final order or judgment to have breached any duty arising as a result of Section 7238 of the Non-Profit Corporation Law. In addition, the Board

of Directors may, at their discretion, declare vacant the office of a Director who has failed to attend or be represented by their alternate at three regularly scheduled Board meetings.

(b) Any or all Directors may be removed by the Executive Members, as set forth below, with or without cause. If the Corporation has fewer than fifty Executive Members, such removal shall be approved by a majority of the votes of all Executive Members, and if the Corporation has fifty or more Executive Members, such removal shall be approved by a majority of the votes of the Executive Members who are represented and voting at a duly held meeting or by written ballot without a meeting.

(c) No reduction of the authorized number of Directors shall have the effect of removing any Director prior to the expiration of such Director's term of office.

#### **Section 4.6 Vacancies**

(a) A vacancy in the Board of Directors shall be deemed to exist in case of the death, resignation or removal of any director.

(b) Vacancies on the Board of Directors may be filled by a majority of the Directors then in office, or by a sole remaining Director. The term of a Director so elected shall be the unexpired portion of the term of the Director, if any, the Director so elected is replacing.

#### **Section 4.7 Calling Meetings**

Regular or special meetings of the Board of Directors shall be held whenever called by the Chairman of the Board or any two Directors of the Corporation.

#### **Section 4.8 Place of Meetings**

Meetings of the Board of Directors shall be held at any place within or without the State of California which may be 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 of Directors. In the absence of such designation, meetings of the Board of Directors shall be held at the principal office of the Corporation.

#### **Section 4.9 Telephonic Meetings**

Members of the Board of Directors may participate in a regular or special meeting through use of conference telephone or similar communications equipment, so long as all members participate in such meeting can hear one another. Participation in a meeting pursuant to this Section 4.9 constitutes presence in person at such meeting.

#### **Section 4.10 Notice of Meetings**

Written notice of the time and place of meetings of the Board of Directors shall be delivered personally to each Director, or sent to each Director by first class mail, telephone or telegraph. In case such notice is sent by mail, it shall be deposited in the mail at least four days prior to the time of the holding of the meeting. In case such notice is delivered personally, or by telephone or telegraph, it shall be so delivered at least forty-eight hours prior to the time of the holding of the meeting. Such notice may be given by the Secretary of the Corporation or by the persons who called said meeting. Such notice need not specify the purpose of the meeting. Notice shall not be necessary if appropriate waivers, consents and/or approvals are filed in accordance with Section 4.11 of these Bylaws.

#### **Section 4.11 Waiver of Notice**

Notice of a meeting need not be given to any Director who signs a waiver of notice, or a written consent to holding the meeting or an approval of the minutes of the meeting, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to such Director. All such waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Neither the business to be transacted at, not 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.

#### **Section 4.12 Action Without Meeting**

Any action required or permitted to be taken by the Board of Directors may be taken without a meeting, if all members of the Board shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board. Such action by written consent shall have the same force and effect as a unanimous vote of such Directors.

#### **Section 4.13 Quorum**

One fifth (1/5) of the voting Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the voting Directors present at a meeting duly held at which a quorum is present shall be the act of the Board of Directors, unless the Articles of Incorporation, these Bylaws, or the Non-Profit Corporation Law specifically requires a greater number. In the absence of a quorum at any meeting of the Board of Directors, a majority of the voting Directors present may adjourn the meeting as provided in Section 4.14 of these Bylaws. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of enough Directors to leave less than a quorum, if any action taken is approved by at least a majority of the required quorum for such meeting.

#### **Section 4.14 Adjournment**

Any meeting of the Board of Directors, whether or not a quorum is present, may be adjourned to another time and place by the vote of a majority of the voting Directors present. If the meeting is adjourned for more than twenty-four hours, notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the Directors who were not present at the time of the adjournment.

#### **Section 4.15 Inspection Rights**

Every Director shall have the absolute right at any reasonable time to inspect, copy and make extracts of, in person or by agent or attorney, all books, records and documents of every kind and to inspect the physical properties of the Corporation.

#### **Section 4.16 Fees and Compensation**

Directors shall not receive any stated salary for their services as Directors, but, by resolution of the Board of Directors, a fixed fee may be allowed for attendance at each meeting. Directors may be reimbursed in such amounts as may be determined from time to time by the Board of Directors for expenses paid while acting on behalf of the Corporation and/or expenses incurred in attending meetings of the Board of Directors. Nothing herein contained shall be construed to preclude any Director from serving the Corporation in any other capacity as an officer, agent, employee, or otherwise, and receiving compensation therefore.

## ARTICLE V. COMMITTEES

### **Section 5.1 Executive Committee**

The Board of Directors may, by resolution adopted by a majority of the voting Directors then in office (provided a quorum is present), create an Executive Committee, consisting of two or more Directors. The Executive Committee, subject to any limitations imposed by the Non-Profit Corporation Law, or imposed by the Articles of Incorporation, by these Bylaws, and/or the Board of Directors, shall have and may exercise all of the powers of the Board of Directors which are delegated to the Executive Committee from time to time by the Board of Directors; provided, however, that the Executive Committee shall have no authority with respect to:

- (a) The approval of any action which also requires approval of the Voting Members.
- (b) The filling of vacancies on the Board of Directors or on any committee thereof.
- (c) The fixing of compensation of the Directors for serving on the Board of Directors or on any committee thereof.
- (d) The adoption, amendment or repeal of Bylaws.
- (e) The amendment or repeal of any resolution of the Board of Directors which by its express terms is not so amendable or repealable.
- (f) The appointment of committees of the Board of Directors or the members thereof.
- (g) The expenditure of corporate funds to support a nominee for Director after there are more people nominated for Director than can be elected.
- (h) The approval of any self-dealing transaction within the meaning of Section 5233 of the Non-Profit Corporation Law (except as otherwise permitted by subdivision (d) thereof).

### **Section 5.2 Committees**

The Board of Directors or the President may appoint committees composed of members (Directors, non-Directors, or Directors and non-Directors), as the Board of Directors or the President deems advisable, to perform such general or special duties pertaining to the Corporation's management, activities or affairs, subject to the limitations contained in the Non-Profit Corporation Law, or imposed by the Articles of Incorporation or by these Bylaws (including, but not limited to, Section 5.1(a) through (h), 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 of Directors and provided further that committees appointed pursuant to this Section 5.2 shall not have the authority of the Board of Directors. The Board of Directors or the President may designate one or more alternate members of any committee, who may replace any absent member at any meeting of the committee.

### **Section 5.3 Meetings of Committees**

Except as otherwise provided in these Bylaws or by resolution of the Board of Directors, each committee shall adopt its own rules governing the time and place of holding and the method of calling its meetings and conducting its proceedings and shall meet as provided by such rules, and it shall also meet at the call of the members of the committee. Unless otherwise provided by such rules or by resolution of the Board of Directors, committee meetings shall be governed by Sections 4.8, 4.9, 4.10, and 4.11 of these Bylaws.

### **Section 5.3 Term of Office of Committee Members**

Each committee member shall serve at the pleasure of the Board of Directors but not to exceed such committee member's term as a Director or Member.

## **ARTICLE VI. OFFICERS**

### **Section 6.1 Officers**

The officers of the Corporation shall be: a President, who shall be the Chairman of the Board and Chief Executive Officer of the Corporation; a Secretary; and a Treasurer, who shall be the Chief Financial Officer of the Corporation. The Corporation may also have, at the discretion of the Board of Directors, one or more additional Vice Presidents, one or more Assistant Secretaries, and such other officers as may be appointed in accordance with the provisions of Section 6.3. One person may hold two or more offices.

### **Section 6.2 Election and Term**

The officers of the Corporation shall be chosen by the Board of Directors and shall serve at the pleasure of the Board of Directors, subject to the rights, if any, of an officer under any contract of employment. Except for the President, officers need not be chosen from among either the Directors or Voting Members.

### **Section 6.3 Subordinate Officers, etc.**

The Board of Directors may appoint 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 of Directors may from time to time determine.

### **Section 6.4 Resignation**

Any officer may resign at any time by giving written notice to the Corporation, subject to the rights, if any, of the Corporation under any contract to which the officer is a party. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

### **Section 6.5 Vacancies**

A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these Bylaws for regular appointments to such office.

### **Section 6.6 President and Chief Executive Officer**

The President shall be the Chief Executive Officer of the Corporation and shall, subject to the control of the Board of Directors, provide general supervision, direction, and control of the business and officers of the Corporation. The President shall have the general powers and duties of management usually vested in the office of President of a corporation, and shall have such other powers and duties as may be prescribed by the Board of Directors or by these Bylaws.

The President shall preside at all meetings of the Voting Members, and shall be a member of all standing committees, including the Executive Committee. In addition, the President of the

Corporation shall be a member of and Chairman of the Board of Directors, and shall preside at all meetings of the Board of Directors, and exercise and perform such other powers and duties as may be from time to time assigned to the Chairman of the Board by the Board of Directors or prescribed by these Bylaws.

#### **Section 6.7 Vice President**

In the absence or disability of the President, the Vice Presidents in order of their rank as fixed by the Board of Directors, or if not ranked, the Vice President designated by the Board of Directors, shall perform the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice Presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board of Directors or these Bylaws.

#### **Section 6.8 Secretary**

(a) The Secretary shall keep, or cause to be kept, a book of minutes in written form of the proceedings of the Board of Directors, committees of the Board of Directors, and Members. Such minutes shall include all waivers of notice, consents to the holding of meetings, or approvals of the minutes of meetings executed pursuant to these Bylaws or the Non-Profit Corporation Law. The Secretary shall keep, or cause to be kept at the principal office a record of the Corporation's Members, giving the names and addresses of all Members.

(b) The Secretary shall give or cause to be given, notice of all meetings of the Members and of the Board of Directors required by these Bylaws or by law to be given, and shall cause the seal of the Corporation to be kept in safe custody, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these Bylaws.

#### **Section 6.9 Treasurer and Chief Financial Officer**

(a) The Treasurer shall be the Chief Financial Officer of the Corporation and shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of account in written form or any other form capable of being converted into written form.

(b) The Treasurer shall deposit all monies and other valuables in the name and to the credit of the Corporation with such depositories as may be designated by the Board of Directors. The Treasurer shall disburse all funds of the Corporation as may be ordered by the Board of Directors, shall tender to the President and Directors, whenever they request it, an account of all of the Treasurer's transactions as Treasurer, and of the financial condition of the Corporation, and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or by these Bylaws.

#### **Section 6.10 Assistant Secretary**

The Assistant Secretary, if there shall be such an officer, shall have all the powers, and perform all the duties of, the Secretary in the absence or inability of the Secretary to act, and may otherwise assist the Secretary upon request.

#### **Section 6.11 Compensation**

The compensation, if any, of the officers shall be fixed from time to time by the Board of Directors, and no officer shall be prevented from receiving such compensation by reason of the fact that the officer is also a Director of the Corporation.

## ARTICLE VII. BOOKS AND RECORDS

### **Section 7.1 Books and Records**

The Corporation shall keep adequate and correct books and records of account, minutes of the proceedings of the Voting Members, the Board of Directors and committees of the Board of Directors, and a record of the Members giving their names and addresses and the class of Membership held by each.

### **Section 7.2 Form of Records**

Minutes shall be kept in written form. Other books and records shall be kept either in written form or in any other form capable of being converted into written form. If any record subject to inspection pursuant to the Non-Profit Corporation Law is not maintained in written form, a request for inspection is not complied with unless and until the Corporation at its expense makes such record available in written form.

### **Section 7.3 Record Date**

(a) The Board of Directors may fix, in advance, a time in the future as the record date for the determination of Members entitled to notice of any meeting, to vote, to cast written ballot, or to exercise any rights in respect of any other lawful action. Said record date shall not be more than sixty days prior to the date of such vote, ballot or other exercise of rights, except that the record date for notice of a meeting shall not be more than ninety nor less than ten days prior to the meeting date.

(b) A determination of Members of record entitled to notice of or to vote at a meeting of Members shall apply to any adjournment of the meeting unless the Board of Directors fixes a new record date for the adjourned meeting.

(c) If no record date is fixed by the Board of Directors, the record date shall be fixed in accordance with the Non-Profit Corporation Law.

### **Section 7.4 Reports to Directors, Members, and Others**

The Board of Directors shall cause such reports to be prepared and distributed as may be required by Sections 8321, 8322, and 8324 of the Non-Profit Corporation Law.

## ARTICLE VIII. GRANTS, CONTRACTS, LOANS, ETC.

### **Section 8.1 Grants**

The making of grants and contributions, and otherwise rendering financial assistance for the purposes of the Corporation, may be authorized by the Board of Directors. The Board of Directors may authorize any officer or officers, agent or agents, in the name of and on behalf of the Corporation to make any such grants, contributions or assistance.

### **Section 8.2 Execution of Contracts**

The Board of Directors may authorize any officer, employee or agent, in the name and on behalf of the Corporation, to enter into any contract or execute and satisfy any instrument, and any such authority may be general or confined to specific instances, or otherwise limited. In the absence of any action by the Board of Directors to the contrary, the President shall be authorized to execute such instruments on behalf of the Corporation.



### **Section 8.3 Loans**

The President or any other officer, employee or agent authorized by the Board of Directors may effect loans and advances at any time for the Corporation from any bank, trust company or other institutions or from any firm, corporation or individual and for such loans and advances may make, execute and deliver promissory notes, bonds or other certificates or evidences of indebtedness of the Corporation, and when authorized by the Board of Directors so to do, may pledge and hypothecate or transfer assets of the Corporation as security for any such loans or advances. Such authority conferred by the Board of Directors may be general or confined to specific instances or otherwise limited.

### **Section 8.4 Checks, Drafts, Etc.**

All checks, drafts and other orders for the payment of money out of the funds of the Corporation and all notes or other evidences of indebtedness of the Corporation shall be signed on behalf of the Corporation in such manner as shall from time to time be determined by resolution of the Board of Directors.

### **Section 8.5 Deposits**

The funds of the Corporation not otherwise employed shall be deposited from time to time to the order of the Corporation in such banks, trust companies, or other depositories as the Board of Directors may select or as may be selected by an officer, employee or agent of the Corporation to whom such power may from time to time be delegated by the Board of Directors.

## ARTICLE IX. INDEMNIFICATION OF DIRECTORS AND OFFICERS

### **Section 9.1 Indemnification by Corporation**

(a) For the purposes of this Article IX, "agent" means any person who is or was a director or officer of the Corporation, or is or was serving at the request of the Corporation as a director or officer of another foreign or domestic corporation, partnership, joint venture, trust or other enterprise; "proceeding" means any threatened, pending or completed action or proceeding, whether civil, criminal, administrative or investigative; and "expenses" includes without limitation attorneys' fees and any expenses of establishing a right to indemnification.

(b) 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 proceeding by reason of the fact that such person is or was an agent of the Corporation, against expenses, judgments, fines settlements and other amounts actually and reasonably incurred in connection with such proceeding.

(c) In the event entitlement to indemnification is required by law to be based upon a determination by the Board of Directors or the Voting Members that the agent has met the standards of conduct prescribed by law, the agent may select which body shall, or that both bodies shall, make such determination, and such body shall meet and shall reach a determination on the issue within a reasonable period of time after request for such body to meet is received by the Corporation from the agent.

### **Section 9.2 Advancing Expenses**

The Corporation shall advance to each agent the expenses incurred in defending any proceeding referred to in Section 9.1 of these Bylaws prior to the final disposition of such proceeding upon receipt of an undertaking by or on behalf of the agent to repay such amount unless it shall be determined ultimately that the agent is entitled to be indemnified as authorized in Section 9.1 of these Bylaws.

### **Section 9.3 Insurance**

The Corporation shall have power to purchase and maintain insurance on behalf of any agent of the Corporation against any liability asserted against or incurred by the 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 such liability under the provisions of this section.

## ARTICLE X. SEAL AND FISCAL YEAR

### **Section 10.1 Seal**

The Board of Directors may adopt a corporate seal which shall be in the form of a circle and shall bear the full name of the Corporation and the year and state of its incorporation.

### **Section 10.2 Fiscal Year**

The fiscal year of the Corporation shall be determined, and may be changed, by resolution of the Board of Directors.

## ARTICLE XI. AMENDMENTS

### **Section 11.1 Power of Voting Members**

(a) Bylaws may be adopted, amended, or repealed by the affirmative vote of a majority of the votes of the Voting Members represented and voting at a duly held meeting at which a quorum is present (which affirmative vote also constitutes a majority of the required quorum) or a written ballot in conformity with Section 3.9 of these Bylaws, except as otherwise provided by law or by the Articles of Incorporation.

(b) Bylaws may be altered, amended or repealed without a meeting of the Voting Members provided the Secretary mails a written ballot setting forth the proposed revision to each Member in the manner set forth in Section 3.9(b) of these Bylaws. Such ballot must provide at least thirty days for the Voting Members to respond. The proposed revision shall be adopted if the number of ballots cast and the number of ballots for approval satisfy the criteria set forth in Section 3.9(a) of these Bylaws.

### **Section 11.2 Power of Directors**

(a) Except as otherwise provided in the Non-Profit Corporation Law or the Articles of Incorporation, and subject to the right of the Voting Members as provided in Section 11.1 of these Bylaws, Bylaws other than a Bylaw or amendment thereof specifying or changing the authorized number of Directors of a fixed Board, or the minimum or maximum number of a variable Board of Directors, or changing from a fixed to a variable Board of Directors or vice versa, may be adopted, amended or repealed by the approval of the Board of Directors.

(b) Any modifications to the Bylaws enacted by the Board of Directors may be amended or set aside by the Voting Members, and the Board of Directors shall not have any power to reenact modifications to the Bylaws where such modifications have been amended or set aside by the Voting Members.